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Hamilton. Dept of the City Solicitor
Hamilton Public Library -
Farmers Market - Cost Overruns -
Documentation

VOL 3



v 3

THE CORPORATION OF THE CITY OF HAMILTON

DEPARTMENT OF ENGINEERING
CITY HALL, HAMILTON
L8N 3T4

24 November 1978

RECEIVED

HAMILTON PUBLIC LIBRARY

FEB 13 1981

Mr. Chairman and Members,
Board of Control.

MAR 14 1979

GOVERNMENT DOCUMENTS

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Re: Central Library and
Farmers' Market

Members of the Board:

The tenders for the various bid packages for the project has now been received. The attached list shows the tenders received for each bid package.

No tenders were received for Bid Package No. 23 - Glazed partitions.

No prices have been received, through the Purchasing Department for Bid Package 30C and 30D.

Based on tenders awarded where applicable, and low tender received on other bid packages and using the estimated cost for Bid Packages No. 23, 30C and 30D, I have prepared the attached statement to show the total of all bid packages plus other costs to be \$11,974,584.95.

The approved (original) estimate was \$10,490,000.00. City Council has authorized an additional \$750,000.00. This provides a total of \$11,240,000.00 which has been approved by City Council and the Ontario Municipal Board for this project.

Therefore, the total of the tenders received is \$734,584.35 over the approved estimate.

As requested by your Board, the Architect has reviewed the contents of all the bid packages and his review is contained in his letters, dated 15 September 1978 and 13 October 1978 (copies attached). It is not possible to make a detailed comparison with the original estimate as the details were not known and a sum of money or an allowance was carried in the estimate. Mr. Butler's review of the bid packages indicates where the scope of the work has changed.

Continued.....

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MAR 1 1911
(GOVERNMENT DOCUMENTS)

Several changes have been suggested by many people and these have been listed on the attached list. A description of these suggested changes, along with any comments are as follows:-

1. Adjustments to the Sprinkler System

A complete review of the sprinkler system has resulted in a lower number of sprinkler heads and revision to the piping. This revised sprinkler system meets the code requirements and is approved by the Building Department.

This change is recommended for approval.

2. Deletion of Glazing in Elevators No. 1 and No. 2

This deletion was the subject of a previous report, dated 30 October 1978. This has been approved by City Council.

3. Escalator No. 1 (Library)

This deletion was included in my report, dated 30 October, 1978 (copy attached). In that report I recommend that it not be deleted.

4. Change Stainless Steel Wall System to Painted Steel

This has been reviewed by Mr. Butler and his comments are included in his letter, dated 24 November, 1978 (copy attached). The expected life for the painted steel is much shorter than that for stainless steel. In my opinion, if the City can afford it, the stainless steel should be used. However, there have been many buildings use painted steel and the savings are substantial.

5. Change glazed Mechanical Tower Walls to Painted Steel

This has been reviewed by Mr. Butler and his comments are contained in his letter dated 24 November 1978. The same comments as outlined in (4) above would apply to this item.

6. Savings in Bid Package No. 23 Glazed Partitions

No bids were received for this bid package. Mr. Butler outlines his proposal in his letter, dated 24 November, 1978, in which he states that he anticipates that there will be a credit of approximately \$42,000.00. I recommend the acceptance of these savings.

7. Deletions by Library Board

The deletions suggested by the Library Board, including the escalator, are contained in their letter, dated 21 November, 1978 (copy attached). I would recommend the acceptance of these changes except for the escalator.

Continued.....

The first part of the report is devoted to a general description of the project and its objectives. It also includes a brief review of the literature on the subject.

2. Methodology

The methodology section describes the research design and the data collection methods. It also includes a discussion of the limitations of the study.

3. Results

The results section presents the findings of the study. It includes a description of the data and a discussion of the statistical analysis.

The results section also includes a discussion of the implications of the findings for practice and policy.

4. Conclusion

The conclusion section summarizes the main findings of the study and provides a final assessment of the project. It also includes a list of references.

5. Appendix

The appendix section contains supplementary material that is relevant to the study. This includes a list of abbreviations, a glossary, and a list of figures and tables.

6. Bibliography

The bibliography section lists the sources of information used in the study. It includes a list of books, articles, and other references.

7. Index

The index section provides a list of terms and concepts that are used in the study. It includes a list of key words and a list of related terms.

8. Glossary

The glossary section defines the terms and concepts used in the study. It includes a list of key words and a list of related terms.

The glossary section also includes a list of abbreviations and a list of symbols.

8. Changes to Bid Package No. 13 and No. 15

These changes are outlined in the statement attached to Mr. Butler's letter, dated 24 November 1978 and also in his letters, dated 7 and 8 September 1978.

These changes are:-

(a) Bid Package No. 13

Refer to letter, dated 7 September 1978 from Mr. Butler (copy attached).

- (i) Item 1 - Change vapour barrier
- (ii) Item 2 - Change flashings
- (iii) Delete skydomes from this bid package and transfer to Bid Package No. 15.

(b) Bid Package No. 15

Refer to letter, dated 8 September 1978 from Mr. Butler (copy attached).

- (i) Item 1 - Change skylight glazing from double to single glazing.
- (ii) Item 3 - Delete spare sealed glazing units
- (iii) Item 4 - Delete aluminium sills
- (iv) Item 7 - Delete baked enamel finish to steel window frames.
- (v) Add Glass Skylights from Bid Package No. 13
- (vi) Add framing to large skylight which was originally to be included in Misc. Metals.
- (vii) Add doors and revise aluminium sills which was omitted from this bid package.

I would recommend acceptance of these changes.

9. Market Skylight

This was included in my report, dated 30 October, 1978. It is my understanding that your Board agreed not to delete this item.

10. Sunscreens

The sunscreens were listed by Mr. Butler as a possible deletion, in his letter, dated 18 September 1978 (copy attached). Also he outlines the consequences of the deletion of the sunscreens and other items in his letters, dated 28 September 1978 and 4 October 1978. Because of the consequences of this change, I would recommend that the sunscreens not be deleted.

Continued.....

11. Market Escalator

This was included in my report, dated 30 October 1978. It is my understanding that your Board agreed not to delete this item.

12. Elevator No. 4

This was included in my letter, dated 30 October 1978. It is my understanding that your Board agreed not to delete this item. In addition, your Board reviewed with the Library Board the possibility of deleting Elevator No. 3. Again it is my understanding that your Board does not recommend the deletion of this elevator.

13. Deletion of Spiral Stairway from 5th to 6th floor

Mr. Butler suggested this deletion in his letter, dated 18 September 1978. This item is also included in the letter, dated 21 November 1978, from the Library Board.

14. Deletion of Auditorium and Meeting Rooms

It was suggested that the Auditorium and meeting rooms could be deleted and that the functions on the Sixth Floor could be relocated to other parts of the building. In this way, it was suggested that the Sixth Floor could be deleted.

Mr. Butler's comments are contained in his letter, dated 28 September 1978. (Copy attached).

I recommend that this change not be made.

As stated previously, the total of all the low tenders was \$734,584.35 above the approved estimate. The total value of all of the suggested changes is \$726,303.00. The review of the various bid packages is continuing and it is quite possible that further small credits can be obtained.

However, as noted previously in this report I am not recommending all the suggested changes. Therefore, the final cost of this project will be over the approved estimate. This amount will depend on the changes that are approved.

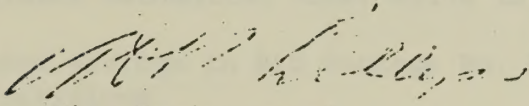
I also wish to point out that the cost of the Construction Management Fee, Site work, testing and security will increase because of the 15½ weeks' delay that has been encountered on this project unless time can be made up during the remainder of the construction period. The cost of these items have been based on a construction period of 22 months. The delay of 15½ weeks amounts to an 18% increase in time. On this basis, the additional cost could be approximately \$100,000.00.

Continued.....

In addition, I would recommend that I be directed to approach Mohawk College and McMaster University with a view of adjusting their share since the total cost has increased.

I would be pleased to discuss this with your Board at your convenience.

Respectfully submitted,



City Engineer and
Co-ordinator, Lloyd D. Jackson Square.

WLP:jb
Attch.

- c. c. Controller P. O. Valeriano (Attch.)
- c. c. Mr. Anthony Butler, Architect (Attch.)
- c. c. Mr. V. Alboini, Pigott Structures Co. Ltd. (Attch.)

CHANGES THAT HAVE BEEN CONSIDERED

	<u>Amount of Credit</u>
1. Adjustments to Sprinkler System	\$ 76,857.00
2. Deletion of Glazing in Elevators No. 1 and No. 2	28,000.00
3. Escalator No. 1 (Library)	50,308.00
4. Change Stainless Steel Wall System to Painted Steel	95,817.00
5. Change glazed mechanical tower walls to painted steel	45,000.00
6. Anticipated savings in Bid Package No. 23 - Glazed Partitions	42,000.00
7. Deletions by Library Board	57,000.00
8. Changes to Bid Package No. 13 to No. 15	86,276.00
9. Market Skylight	30,000.00
10. Sunscreens	75,334.00
11. Market Escalator	67,645.00
12. Elevator No. 4	<u>72,066.00</u>
TOTAL	\$726,303.00
13. Deletion of Spiral Stairway from 5th to 6th Floor (Also in list of deletions from Library Board)	
14. Deletion of Auditorium and Meeting Rooms and deletion of Sixth Floor.	

WLP:jb

24 Nov/78

Bid Package No. 14

Westeel-Rosco Limited	\$ 71,783.00
Peerless Enterprises Div. of Tectum Limited	167,600.00
Robertson Building Systems	

Bid Package No. 20

Wilkinson & Kompass Limited	\$ 44,519.00
D.M. Hardware Limited	48,600.00
Contract Hardware Specialists (1974) Ltd.	50,180.00

Bid Package No. 21

Ferrington Fabricators Limited	\$ 224,000.00
Central Steel Fabricators Ltd.	241,200.00
Dundas Iron & Steel Limited	245,600.00

Bid Package No. 26

P. J. Daly Plastering Contracting Limited	\$ 233,000.00
John E. Smith Contracting Limited	235,876.00

Bid Package No. 29

Dupont Painting Contracting Limited	\$ 108,960.00
National Painting and Decorating Company (Hamilton) Ltd.	179,825.00
Canada Decorating & Painting Company Limited	243,266.00

Bid Package No. 32

National Millwork Co. Ltd.	\$ 193,865.00
Trend Millwork & Cabinets Ltd.	243,400.00
B & H Woodworkers (Canada) Limited	345,000.00

Bid Package No. 33

Harm Schilthuis and Sons Limited	\$ 94,873.00
Devries Construction	114,000.00
G & C Industrial Millwork Limited	127,600.00

Bid Package No. 34

Perfection Rug Co. Ltd.

\$

- Hot-back	\$252,685.00
- Latex Back	237,987.00
- Harding Carpets	263,917.00
- Caravelle	216,645.00

The Robt. Simpson Company Limited

- Burlington	\$249,891.00
- Harding	258,558.00
- Caravelle	226,337.00

Stradwick Industries Ltd.

- Burlington	\$273,441.00
- Harding	283,301.00
- Caravelle	248,711.00

Bid Package No. 36A

John Ewing & Co. Inc.

\$ 1,320.00

Bid Package No. 36B

Fleming Installations Limited	\$ 1,825.00	\$
S. W. Fleming and Company Limited	\$18,042.00	\$ 19,867.00
Ontario Washroom Equipment Company		\$ 11,713.00

Bid Package No. 36C

Arpro Construction & Industrial Corp. \$ 16,500.00

Bid Package No. 36D

R. H. Wakeford Enterprises Limited \$ 29,951.00

Bid Package No. 36F

Architectural School Products Limited \$ 1,950.00

Bid Package NO. 37

Avenue Structures \$ 158,031.00

Bid Package No. 38

Beverly Weatherstrip Co. Limited \$ 5,470.00

COB Maintenance Inc. \$ 6,384.40

Dominion Caulking Limited \$ 8,410.00

BID PACKAGE NO. 8

Mathews Converyer Company, A Division of Rexnord Canada Ltd.	\$ 18,339.00
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BID PACKAGE NO. 18

Reinhardt Masonry Limited	\$ 103,740.00
Abe Dick Masonry Limited	\$ 119,320.00
George and Asmussen Limited	\$ 136,605.00

BID PACKAGE NO. 19

S. W. Fleming and Company Limited	\$ 45,996.00
Canadoor Limited	\$ 49,847.00

BID PACKAGE NO. 22

Avenue Structures	\$ 238,144.00
Saltfleet Construction Limited	\$ 243,700.00

BID PACKAGE NO. 24

Harrison Glass & Mirror Company Limited	\$ 49,295.00
Clegg Glass Limited	\$ 52,796.00

BID PACKAGE NO. 25

R. H. Wakeford Enterprises Limited	\$ 18,632.00
Overhead Door Company of Hamilton Limited	\$ 18,900.00

BID PACKAGE NO. 27

Price Tri-Tile Limited	\$ 53,040.00
Johns-Manville Canada Inc.	\$ 58,057.00
(Alternate E.H. Price -Components)	(\$ 57,300.00)
P. J. Daly Plastering Contracting Limited	\$ 66,870.00
John E. Smith Contracting Limited	\$ 67,690.00
Perfect Acoustic & Drywall Company Limited	\$ 78,785.00

BID PACKAGE NO. 28

Kent Tile & Marble Co., Limited	\$ 65,900.00
Terrazzo, Mosaic & Tile Company Limited	\$ 80,438.00
Connolly Contractors Limited	\$ 89,516.00
Wentworth Tile & Terrazzo Ltd.	\$ 91,148.00

CONTRACT NO.	BID PACKAGE	DESCRIPTION	TENDER CLOSING DATE	ORIGINAL ESTIMATE	LOW TENDER	AMOUNT OF CHANGE		REVISED CONTRACT PRICE	OVERRUN ESTIMATE	UNDERRUN ESTIMATE
						ORDER CREDIT	ORDER EXTRA			
E-78-41(LM)	29	Painting	20 Nov/78	\$ 105,000	\$ 108,960				\$ 3,960.00	
E-78-41(LM)	30A	Washroom Accessories	20 Nov/78	9,000	7,849					\$ 1,151.00
E-78-41(LM)	30B	Wardrobe Accessories	30 Nov/78	3,000	695					2,305.00
E-78-41(LM)	30C	Rolling Shutters	20 Nov/78	8,000	8,000*					
E-78-41(LM)	30D	Exp. Joint Covers, Foot Grille	20 Nov/78	3,000	3,000*					
E-78-42(LM)	32	Refinished Cabinet Work	20 Nov/78	55,000	193,865				138,865.00	
E-78-43(LM)	33 & 31	Hollow Metal Doors (Install)	20 Nov/78	48,000	94,873				46,873.00	
E-78-44(LM)	34	Carpeting	20 Nov/78	193,000	216,645				23,645.00	
E-78-46A(LM)	36A	Flag Pole	20 Nov/78	900	1,320				420.00	
E-78-46B(LM)	36B	Toilet Compartments	20 Nov/78	5,900	11,713				5,813.00	
E-78-46C(LM)	36C	Folding Partitions	20 Nov/78	28,000	16,500					11,500.00
E-78-46D(LM)	36D	Security Grilles	20 Nov/78	2,500	29,951				27,451.00	
E-78-46E(LM)	36E	Ext. Sign Letters	20 Nov/78	4,000	1,484.50					2,515.50
E-78-46F(LM)	36F	Chalkboards & Trackboards	20 Nov/78	1,700	1,950				250.00	
E-78-47 (LM)	37	Misc. Concrete	20 Nov/78	48,000	158,031				110,031.00	
E-78-48 (LM)	38	Caulking	20 Nov/78	4,000	5,470				1,470.00	
				\$9,363,000	\$10,847,584.35				\$1,768,565.72	\$283,981.37

ALLOWANCES

Landscaping	30,000	30,000
Final Cleaning	15,000	15,000
Contingency	243,008	243,008
Construction Management	378,616	378,616
Site Work	209,000	209,000
Testing	12,000	12,000
Security	54,000	54,000
Sub-Total		10,304,624
Misc.	185,376	185,376
TOTAL		\$10,490,000

Net Overrun \$ 1,484,584.35

15 September 1978

Mr. W. L. Phillips
City Engineer & Co-ordinator
Lloyd D. Jackson Square
City Hall
Hamilton, Ontario

Dear Mr. Phillips:

I refer to your letter of 12 September 1978, in which you list a series of questions asked by the members of Board of Control at our meeting on Monday 11 September 1978. The first twelve questions are answered in the attached summary prepared by the Construction Manager. Also attached is a summary of changes in scope of work, in answer to question 14.

We have also reviewed your four reports to the Board, referred to in question 13, and we believe that the answers have been provided in our previous submissions.

I trust that this is the information you require.

Yours very truly,

Anthony Butler

Anthony Butler

AB/gl

cc Mr. V. Catchick, Pigott
Mr. P. Brook

Summary of changes in scope of work included in bid packages not yet tendered.

Bid Package No. 8 - Conveyor (Basement to Concourse):
No change.

Bid Package No. 10 - Miscellaneous Embedments:
The contents of this bid package have been transferred to bid package 21, miscellaneous metals.

Bid Package No. 12 - Window Washing Equipment:
No change.

Bid Package No. 14 - Stainless Steel Exterior Wall Panels:
To be re-tendered, based on a changed system. The total area is reduced by deletion of spandrel panels; spandrels are proposed to be concrete, provided by bid package 9, by Notice of Change. The unit cost of the proposed system is lower than the original budget.

Bid Package No. 17 - Rough Carpentry, Supply and install:
Total scope now fully identified and increased.

Bid Package No. 18 - Masonry and Glass Blocks:
Washroom partitions transferred from bid package 26, drywall. Partitions added in Market area for offices and storage. Masonry wall added for acoustical separation between Library and mechanical tower, at each floor, replacing drywall partition. Enclosure of an electrical room and janitor's closet added at each floor.

Bid Package No. 19 - Hollow Metal Doors and Frames - Supply only:
Total scope now fully identified: number of doors and frames increased.

Bid Package No. 20 - Finishing Hardware - Supply only:
Total scope now fully identified: number of doors increased.

Bid Package No. 21 - (a) Miscellaneous Metals:
Miscellaneous Embedments transferred from bid package 10, exit stairs are now steel and transferred from bid package no. 9, superstructure. Overhead support framing for toilet stalls, folding walls and awnings added. Miscellaneous bearing and support plates for escalators added. Framing for entrances to elevators 1 and 2 added. Supports for window washing equipment added.

Foot grilles transferred to bid package 30.

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(b) Ceiling Grid:

Part of ceiling grid system transferred to bid package 32, millwork reducing scope in this bid package.

Bid Package No. 22 - Tunnel Construction etc:

Total scope now fully identified: complexity of tunnel increased; mechanical and electrical added by Notice of Change. One dock leveller added. Insulation and waterproofing to slab over reservoir deleted.

Bid Package No. 23 - Metal Glazed Partitions (Industrial Sash):

Most of this bid package transferred to bid package 32, millwork.

Bid Package No. 24 - Interior Glazing and Mirrors:

No change in scope.

Bid Package No. 25 - Overhead Doors:

No change in scope.

Bid Package No. 26 - Drywall, Plastering, Acoustical Baffles:

Total scope now fully identified: drywall partitions added as follows:

Concourse Level: children's area: 2 offices added

Third Level: Government documents and special collections areas, partition added to isolate halon-protected area.

Fifth Level: Reprographic area; one staff office

Sixth Level: Technical Services: future computer room, telephone room and 2 offices.

Washroom partitions transferred to bid package 18, masonry.

Increase in drywall bulkheads and furring. Quantity of acoustical baffles reduced.

Bid Package No. 27 - Coffered Ceilings:

Total area reduced.

Bid Package No. 28 - Ceramic Tile, Quarry Tile and Non-Slip Pavers:

Non-slip pavers deleted. Amount of ceramic tile reduced.

Bid Package No. 29 - Painting and Vinyl Wall Fabric; Sandblasting:

Total scope now fully identified: number of partitions to be painted increased. Amount of vinyl wall fabric reduced.

Bid Package No. 30 - Manufactured Specialties - Supply only:

Bid Package No. 31 - Manufactured Specialties - Installation:

Number of foot grilles reduced to 1 only.

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Bid Package No. 32 - Prefinished Millwork - Supply Only of Cabinet Work, Wood Doors, Wood Ceiling, Wood Deck Balconies and Wood Handrailings:

Total scope of cabinet work now identified and increased. Number of wood doors increased. Wood partitions transferred from part of bid package 23. Part of ceiling grid transferred from bid package 21, miscellaneous metals.

Bid Package No. 33 - Installation - H.M. Doors and Frames, Wood Doors and Access Doors, Finishing Hardware, Prefinished Millwork, Cabinet Work, Wood Ceiling, Wood Deck Balconies and Handrailings:

Total scope now fully identified and increased (refer to bid packages 19, 20 and 32).

Bid Package No. 34 - Carpeting:
No change in scope.

Bid Package No. 35 - Vinyl Tile and Rubber Base:

Total scope now fully identified and increased, replacing more costly ceramic tile.

Bid Package No. 36 - Manufactured Specialties - Supply & Install: Toilet compartments changed to ceiling hung. Three rolling shutters added. Five security screens added. Telephone shelves deleted.

Bid Package No. 37 - Miscellaneous Excavation & Concrete:
Total scope now fully identified: Light weight concrete fill for roof areas added.

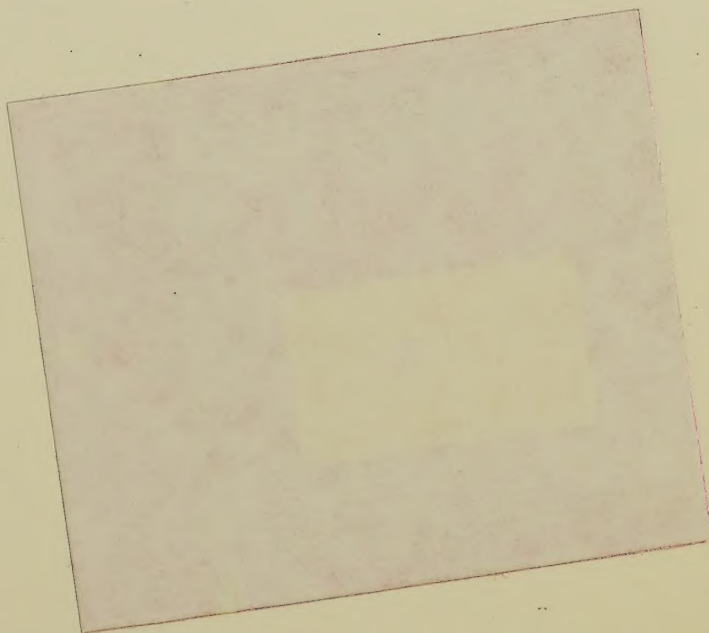
Bid Package No. 38 - Miscellaneous Caulking:
Contents of this bid package re-assigned to several other bid packages.

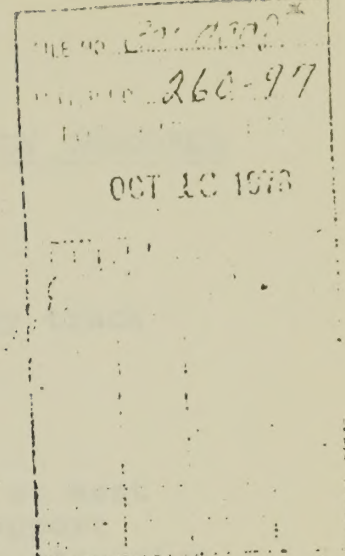
Bid Package No. 39 - Landscaping:
No change in scope

Bid Package No. 40 - Final Cleaning:
No change in scope.

15 September 1978

Anthony Butler Architect
11 Dundurn Street North, Hamilton





13 October 1978

Mr. W. L. Phillips
City Engineer & Coordinator
Lloyd D. Jackson Square
City Hall
71 Main Street West
Hamilton, Ontario

Dear Mr. Phillips:

Further to our letter of 18 September 1978, in which we listed proposed deletions for consideration by the City, we have been obtaining confirmations of proposed credits for the various items. At the present time, some information has not yet been received, however we are able to confirm that the probable total savings which can be achieved will be not less than the amounts named in our previous letter. In some cases, some of the information related to confirming credits depends upon bid packages which have not yet been tendered, therefore final confirmation of these credits will be confirmed after tenders have been received.

The following credits have been fully confirmed:

Delete sunscreens	\$75,334
Delete spiral stair from fifth to sixth floors	\$10,000
Sprinkler system adjustments	\$76,857

As soon as more information has been received, we will inform you.

Yours very truly,

Anthony Butler

Anthony Butler

AB/dbh

c.c. P. Brook
V. Alboini

SUMMARY OF CHANGES IN SCOPE OF WORK TO BID PACKAGES ALREADY TENDERED

Bid Package No. 1 - Bulk excavation and Shoring:

Extent of excavation reduced by provision for temporary truck ramp.

Bid Package No. 2 - Wall and Column Footings:

Location of existing sewer required deeper excavation at east side of building. Size of foundations increased to support future bridge at south east corner. Foundation for construction crane added. Foundation for reservoir and footings at temporary truck ramp deleted.

Bid Package No. 3.- Substructure:

Foundation walls on east side of building extended because of existing sewer location. Framing provided for library escalator. Reservoir walls deleted.

Bid Package No. 4 - Electrical Empty Conduit:

No change.

Bid Package No. 5 - Mechanical:

Design of central plant changed to a heat pump system instead of a water storage reservoir. Single large chiller/heat pump changed to one chiller and one heat pump, providing partial standby capability. Environment control unit and halon fire extinguishing system added to special collections area. Sprinklers added to windows facing east and south because of fire exposure protection requirements. Sprinkler design increased to ordinary hazard category, requiring more sprinkler heads and larger water quantities. Two large smoke exhaust fans added to atrium area. Induction air supply loop relocated to top floor from third floor. Market air handling unit relocated from market ceiling space to plaza mechanical room. Relocation of existing sewer deleted from contract. Number of hot water boilers reduced from two to one. Pumps related to reservoir deleted.

Bid Package No. 6 - Electrical:

Fourth power supply cable from Hydro to Central Utilities Plant added to contract. Provision of electrical energy from Central Utilities Plant included in contract, and two power feeders from CUP to Library provided. Audio and control systems added in activity area. Electrical services related to reservoir deleted. Ducts for Bell Telephone cables from Central Utilities Plant to Library deleted.

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Bid Package No. 7 - Elevators and Escalators:

Escalator in Library added.

Bid Package No. 9 - Superstructure:

Framing of mechanical tower and roof penthouses changed to concrete. Roof over market changed from steel space frame to concrete. Fresh air intakes for market carbon monoxide exhaust system added. Area of roof slabs increased due to reduction in openings for skydomes and extension of canopy along north side of building. Framing for library escalator added. Structural steel transferred from Bid Package 11. Fire escape stairs changed from concrete to steel and transferred to Bid Package 21, Miscellaneous Metals. Sand blasting transferred to Bid Package 29, Painting.

Bid Package No. 11 - Structural Steel:

Contents of this Bid Package transferred to Bid Package 9 Superstructure.

Bid Package No. 13 - Built-Up Roofing and Sheet Metal Flashing:

Area of roof increased due to reduction in size of skydomes, and by extension of roof to form canopy along north side of building. Skydomes transferred from Bid Package 15, Aluminum Windows etc.

Bid Package No. 15 - Aluminum Windows, Entrances, Skylights, Louvres and Sunscreens, Glass and Glazing:

Framing for market north windows changed to steel for structural reasons. Framing to market east windows and mechanical tower south windows changed to steel because of fire exposure to adjacent buildings. Areas of skylights increased at fresh air intakes to the market. Entrance doors transferred from Bid Package 16, Stainless Steel Entrances. Framing to aluminum entrances changed to heavy duty units. Air intake and exhaust louvres added. Insulated panels at mechanical rooms added. Skydomes transferred to Bid Package 13, Roofing.

Bid Package No. 16 - Stainless Steel Entrances:

Contents of this bid package transferred to Bid Package 15, Aluminum Windows etc.

13 October 1978

K. A. ROUFF
CITY SOLICITOR



NOV 24 1978

REPLY ATTENTION: K.A. Rouff

OUR FILE NO. 30-2.19(a)

THE CORPORATION OF THE CITY OF HAMILTON

OFFICE OF THE CITY SOLICITOR

CITY HALL
HAMILTON, ONTARIO
L8N 3T4

TEL. 527-0241

November 24, 1978

Chairman and Members,
Board of Control.

Members of the Board:

Re: Hamilton Central Library and Farmers' Market

I have for acknowledgement from Mr. Jones a copy of the letter of November 21, 1978 from the Hamilton Public Library Board reviewing possible deletions with respect to this project, to a maximum of \$125,000.00.

I wish specifically to draw to your attention the penultimate paragraph on page one of the Library Board's letter which reads as follows:

"We have totally reviewed the building and have concluded that the items in Schedule "A" can be deleted with only a minimal interference with the immediate functioning of the building. I must emphasize, however, that several years have been spent in carefully designing a functional building. Any further deletions, therefore, will substantially reduce and, in some cases, jeopardize the proper functioning of the building and the planned activities within the building will be curtailed."

It is my advice that should your Board and the Council adopt these changes and/or any other changes, then such changes should proceed with the prior written approval of the Architect that such changes would not affect the function and operation of the Library and Farmers' Market.

Yours truly,

K. A. Rouff,
City Solicitor.

KAR:js

c.c. Controller P.O. Valeriano

c.c. Mr. W. L. Phillips, City Engineer
and Co-ordinator, Lloyd D. Jackson Square

c.c. Mr. W. H. McFarland, City Treasurer

NOV 24 1978



THE CORPORATION OF THE HAMILTON PUBLIC LIBRARY

55 MAIN STREET WEST HAMILTON L8P 1H5, CANADA TELEPHONE (416) 529-8111 TELEX 021-602

November 24, 1978

Board of Control,
The Corporation of the City of Hamilton,
City Hall,
Hamilton, Ontario.

Attention: J.R. Jones, Secretary

Dear Sirs:

The present central library circulation of 450,000 items a year is expected to increase by at least fifty percent in the first year, double in the first three years of operation and, over the long run, increase by a factor of four. The use of a vertical book conveyor was isolated early in the design stage as an efficient method by which library materials could be returned to the various floors in the new library. Not only would the books, records, films, etc. be returned more quickly, but also the labour component in this operation would be appreciably reduced. The library would be able to support the anticipated growth in circulation at a decreasing cost per item circulated.

The vertical book conveyor has been integral to the design of the building.

A year ago, however, it was removed from the library/market construction budget by City Council at its meeting of December 13, 1977, without consultation with the Library Board. I have attached confirmation of this action as relayed to the architects by Mr. W. Phillips, December 15, 1977. (See Schedule A).

A careful analysis of the consequences of this deletion has been completed and is detailed briefly in Schedule B, attached. If the building is to be operated without the vertical book conveyor, additional yearly operating costs of approximately \$40,000 in labour will be incurred. As well, the expenditure of \$21,000 for book carts will be necessary in the first three years.

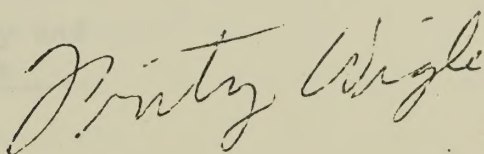
Continued ...

to: Board of Control

November 24, 1978

Since the Library Board is concerned with the present budget overrun, the fact of an additional \$165,000 in operating costs in the first three years, which could be avoided by the installation of the book conveyor, prompts our request that the vertical book conveyor be reinstated in the construction budget and installed in the building.

Yours very truly,



Fritz E. Wigle,
Chairman,
Hamilton Public Library Board.

FEW:sr

attach.



THE CORPORATION OF THE CITY OF HAMILTON

DEPARTMENT OF ENGINEERING

CITY HALL, HAMILTON

L8N 3T4

15 December 1977

Anthony Butler, Architect,
11 Dundurn Street North,
Hamilton, Ontario.
L8R 3C8

Re: Central Library and
Farmers' Market

Dear Sir:

For your information, I enclose herewith a copy of Clause 6 of the Fifty-fifth Report of the Board of Control, adopted by City Council on 13 December 1977.

This resolution revises the total estimated cost from \$9,759,000.00 to \$10,490,000.00 and also authorizes the City Solicitor to make the necessary application to the Ontario Municipal Board.

~~As~~ As you are aware, this recommendation was based on the deletion of the book conveyor at this time. If in the future we find that there are sufficient funds to cover this conveyor, it can be added into the project.

Yours very truly,

City Engineer and
Co-ordinator, Lloyd D. Jackson Square.

WLP:jb

Encl.

c. c. Mr. V. Alboini, Pigott Structures Ltd.
c. c. Mr. R. Inch, P.Eng.

Continuous Book Hoist - Analysis

The methods designed to handle library materials in the New Central Library include the utilization of a book hoist to run from the basement level through to the sixth floor level. . . . If a book hoist is not installed (a) the capital cost for additional book carts required and (b) the increased labour costs, will result as follows:

(a) Additional Book Carts Required if Book Hoist not Provided

Present circulation: 1075 books/day.

Anticipated increase: 50%/year for each of 1st 3 years.

Capacity of cart: 50 books

Cost of cart: \$335.50

YEAR	EXPECTED CIRCULATION (BOOKS/DAY)	YEAR ONE	YEARS TWO & THREE	CUMULATIVE TOTAL	TOTAL COST OF CARTS
1	1600	32			\$10,736
2	2400		16	48	5,368
3	3200		16	64	<u>5,368</u>
TOTAL 3 YEAR COST					\$21,472

(b) Increased Labour Costs if Book Hoist not Provided

Labour cost per hour: \$5.13
 Approximate time per trip: 10 minutes
 Days open per year: 335

YEAR	DEPARTMENT								TOTALS
	CIRCULATION		TECHNICAL * SERVICES		INTERDEPART-* MENTAL MAIL		AUDIO/VISUAL *		
	Trips/ Day	Annual Cost	Trips/ Day	Annual Cost	Trips/ Day	Annual Cost	Trips/ Day	Annual Cost	
1	32	\$9165	3	\$859	18	\$4673	100	\$28642	\$43,339
2	48	\$13748	3	\$859	18	\$4673	100	\$28642	\$47,922
3	64	\$18331	3	\$859	18	\$4673	100	\$28642	\$52,505

3 YEAR TOTAL LABOUR COST :: \$143,766

3 YEAR TOTAL COST OF CARIS 21,472

TOTAL CAPITAL AND LABOUR COSTS INCURRED IN FIRST THREE YEARS
 OF OPERATION IF BOOK HOIST NOT PROVIDED:

\$165,238

Verified by: Mr. P.G. Baker
 Business Administrator
 Hamilton Public Library System

November 22, 1978

*While increases in circulation were forecast, indicating increased numbers of trips/day, this was not done for the other departments. It is likely that these departments will also experience similar increases with time.

W.L. PHILLIPS
B.A.S.C., M.E.I.C., P.ENG.,
CITY ENGINEER
AND
CO-ORDINATOR
LLOYD D. JACKSON SQUARE



REFER TO FILE NO. 301-0008*

ATTENTION OF W. L. Phillips

YOUR FILE NO.

THE CORPORATION OF THE CITY OF HAMILTON

NOV 27 1978

DEPARTMENT OF ENGINEERING
CITY HALL, HAMILTON
L8N 3T4

24 November 1978

Mr. Chairman and Members,
Board of Control.

Re: Central Library and
Farmers' Market

Members of the Board:

As requested by your Board, I have prepared the following in response to the questions raised by Alderman Wheeler in his letter, dated 26 October 1978. The numbers correspond to the numbers in Alderman Wheeler's letter.

1. WHAT ARE THE REASONS FOR THE COST OVERRUN?

The following are the reasons for the cost overrun:-

- (a) The City accepted and approved an estimate in the amount of \$10,490,000.00. This was submitted to the City by Pigott Structures Ltd. by letter dated 24 November 1977 and 13 December 1977 (copy attached). This estimate was confirmed by Mr. A. Butler in his letter, dated 25 November 1977 (copy attached). It was anticipated that work would start in January 1978. At that time, this estimate was considered to be a tight budget but achievable as long as delays were not encountered.
- (b) Delays. There has been a total of 15½ weeks' delay encountered on this project. The first delay was approximately 8 weeks because of discussions regarding the contract documents to be used on this project. This caused a delay in the schedule for calling tenders on the various bid packages.

The second delay was caused by the Carpenters' Strike which lasted for 7½ weeks. This altered the construction schedules on the site.

These two delays have had the effect of extending the completion date of the project.

Continued.....

1. (b) Cont'd....

It should be pointed out that if there had not been a delay over the contract documents the building could have been closed in before the winter seasons and this would have had a favourable effect on tender prices and other costs.

Further, delays of this type are much more serious when the construction management system is followed. Delays regarding contract documents would happen before calling tenders under a General Contract; whereas, in this project, the delays occurred after construction commenced.

- (c) The publicity that has occurred with this project has caused concern among contractors. This has resulted in the contractors refusing to submit tenders on this project or to qualify their tenders or in some cases, it is quite possible that additional monies have been included in their tenders. An example of this is the tender submitted by Robertson Building System for Bid Package No. 14 - Exterior Wall Panels. They tendered not on City's forms but on their own forms and did not agree with the City's General Conditions. Their concerns are expressed in their letter, dated 22 November 1978 (copy attached). Their tender in the amount of \$145,000.00 was the lowest tender received and is approximately \$22,000.00 below the next bidder.

In addition, six local contractors were called to advise them that Bid Package No. 37 - Miscellaneous Concrete, was available for tenders. They all refused to bid on this project. A similar situation occurred with Bid Package No. 22 - Access Tunnel. (See letter dated 23 November 1978 from Pigott Structures Ltd.)

- (d) New labour agreements have been negotiated and finalized since the original budget was established and the new labour rates are higher in all cases.
- (e) Changes have been made by the Library Board and also by the Architect since the original budget was prepared. Many of these changes have come to our attention since we have been investigating the tenders to determine the reason for the higher prices.

It should be pointed out that when the estimate was prepared, only concept plans were available. Therefore, all the detailed information was not known. These details are developed during the detailed design and preparation of working drawings. However, the major changes should have been brought to our attention during the process.

Continued.....

1. (e) Cont'd.....

Under a General Contract, the detailed design and working drawings are prepared before tenders are called. When tenders are received they are in the form of a Lump Sum Bid. Therefore, the cost of each trade package is not apparent and the overruns and underruns in each bid package are not visible from the tenders received.

- (f) Some items, such as the sunscreens, were not included in the original estimate. In the case of the sunscreens, this fact was not brought to our attention until this review of the project.

2. WHY DID THE PROJECT MANAGEMENT SYSTEM OBVIOUSLY FAIL TO KEEP THE CONSTRUCTION COSTS WITHIN THE BUDGET AMOUNT?

As previously outlined, the problems that have come to the attention of the members of City Council are not particularly associated with the construction management system. The same problems can occur under a General Contract.

The basic difference is that under a General Contract the trade work prices are obtained by the General Contractor and only a Lump Sum Bid is received when tenders are opened. In the case of the construction management system, the trade contracts are called separately and the price for each trade is publicized. Therefore, overruns and underruns on each bid package are fully visible.

However, I wish to point out that when the first major bid packages were tendered, the prices received were higher than the estimate. At that time, City Council had the opportunity to accept the higher prices or to make alterations to the project and lower the cost. City Council decided to proceed and authorized an additional \$750,000.00 for the project and obtained the necessary approval of the Ontario Municipal Board.

We now have received the tenders on the remaining bid packages and City Council again has the opportunity to decide to accept these prices or to make alterations in the project. In this respect, the construction management system is working. Also, we have been able to commence construction and the excavation, footings, substructure are complete. The superstructure is under construction as well as the electrical and mechanical work.

3. WHEN THE BOARD OF CONTROL RECOMMENDED THE SYSTEM OF PROJECT MANAGEMENT TO COUNCIL IN JUNE OF 1977, HOW FAR HAD THE ARCHITECT PROGRESSED WITH THE PREPARATION OF PLANS AND SPECIFICATIONS, IN REGARD TO THE FOLLOWING:

Continued.....

3. Cont'd...

- (A) THE ARCHITECT WAS APPOINTED IN JULY OF 1975 TO PROVIDE DESIGN SERVICES, PLANS AND SPECIFICATIONS AND ESTIMATES OF COSTS OF THE LIBRARY AND FARMERS" MARKET AT AN ESTIMATED FEE OF \$803,000.00 TO BE BASED ON THE ONTARIO ARCHITECTS' SCHEDULE OF FEES.
- (B) COUNCIL ON AUGUST 8TH, 1975 AUTHORIZED THE ARCHITECT TO PROCEED WITH PRELIMINARY DESIGN WORK FOR WHICH HE WAS TO BE PAID \$5,000.00 PER MONTH AND WHICH WAS TO BE APPLIED AGAINST THIS TOTAL FEE FOR THE PROJECT.

(ACCORDING TO THE FIGURES I RECEIVED FROM THE CITY TREASURER, MR. BUTLER'S FIRM HAD DRAWN \$180,297.73 IN FEES BY MAY 30TH, 1977).

When the Board of Control recommended the construction management system to City Council on 31 May 1977, City Council at the same meeting authorized the Architect to proceed with the detailed design and working drawings. Therefore, the preparation of working drawings was to commence at the same time as the construction management system was approved.

The status of the drawings at this time was that only concept drawings were completed. For your information, concept drawings show number of floors, shape and general layout of the building, general location of stairs, elevators and the main parts of the building. No detailed designs are shown on these drawings.

With regard to the payment to the Architect, the agreement between the Architect and the City requires that the total monthly payments to the Architect should equal one-quarter (1/4) of the total fee when the preliminary (concept) drawings are completed.

One-quarter of the total fee is \$179,695.75. As of 30 May 1977, Mr. Butler had been paid \$170,297.13.

On 26 August 1975, City Council authorized the Architect to proceed with the preliminary design work pending receipt of the approval of the Ontario Municipal Board. In the event that this approval was not forthcoming, the cost of approximately \$5,000.00 per month would be incurred and would be paid out of current funds. This did not authorize the Architect to draw \$5,000.00 per month.

- 4. DID THE BOARD OF CONTROL RECEIVE ANY REPORT FROM MR. BUTLER, THE ARCHITECT, OR FROM MR. PHILLIPS, THE CITY ENGINEER AND CO-ORDINATOR OF THE PROJECT, WHEN MR. WALL, AN ARCHITECT ASSOCIATED WITH MR BUTLER, RESIGNED HIS ASSOCIATION IN THE PROJECT JUNE 1ST, 1977?

Continued.....

4. Cont'd....

DID THE BOARD OF CONTROL AT THAT TIME REVIEW THE PROGRESS OF THE PLANS AND SPECIFICATIONS?

When Mr. Wall resigned his association in the project, the Board of Control received a report, dated 10 May 1977, from Mr. A. Butler and a report, dated 13 May 1977, from the City Engineer (copies attached).

As outlined above the concept plans were completed at this time.

The concept plans were presented to City Council in March 1977. Following the hearing of the Ontario Municipal Board in early April 1977, the Downtown Redevelopment Sub-Committee, The Planning and Development Committee, the Legislation, Fire and Licence Committee and the Board of Control approved the concept plans. City Council on 20 April 1977 also approved the concept plans.

5. WHAT REPORTS DID THE BOARD OF CONTROL HAVE FROM THE ARCHITECT AND CO-ORDINATOR (CITY ENGINEER) ON THE PROGRESS OF THE PLANS AND SPECIFICATIONS BEFORE IT RECOMMENDED THE PROJECT MANAGEMENT SYSTEM TO COUNCIL IN JULY OF 1977 -- HAVING REGARD TO QUESTIONS (A) AND (B) OF NO. 3 ABOVE AND ALSO HAVING REGARD TO THE FACT THAT IN 1975 THE CITY ENGINEER, AS CO-ORDINATOR, WAS GIVEN THE RESPONSIBILITY TO ADMINISTER THE DESIGN AND CONSTRUCTION OF THE LIBRARY AND FARMERS' MARKET?

The status and approvals of the drawings has been outlined previously in this report.

6. WHAT ARE THE DETAILS OF THE CHANGES THAT ARE BEING CONSIDERED BY THE BOARD OF CONTROL?

The details of the changes that are being considered by the Board of Control are outlined in a separate report.

7. HAS THE LIBRARY BOARD BEEN CONSULTED ABOUT THESE CHANGES?

Yes, the Library Board is being consulted about changes.

8. WHAT WOULD THESE CHANGES COST?

The cost of these changes are shown in a separate report.

9. WHO WILL PAY FOR THESE CHANGES?

The changes that are being considered at this time are deletions and will result in credits or lower costs.

Continued.....

10. WOULD THE MATERIAL AND WORKMANSHIP BE OF THE HIGHEST QUALITY?

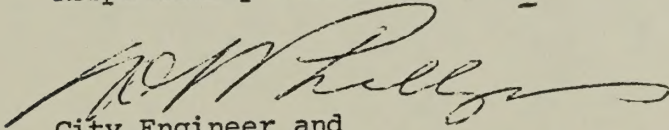
Any changes that are being considered will not affect workmanship.

In some cases, a change in materials is being considered. The question of quality will be the deciding factor as to whether changes of material will be made or not.

11. WOULD THE CITY'S RIGHTS BE FREE FROM JEOPARDY AND ARE WE PROTECTED TO CLAIM AGAINST THOSE PEOPLE WHO ARE RESPONSIBLE FOR THE COST OVERRUN WITH OR WITHOUT CHANGES?

I would suggest that the City Solicitor provide the answer to this question.

Respectfully submitted,



City Engineer and
Co-ordinator, Lloyd D. Jackson Square.

WLP:jb (Atttch)
c. c. Controller P. O. Valeriano (Attch.)
c. c. Mr. Anthony Butler, Architect (Attach.)
c. c. Mr. V. Alboini, Pigott Structures Co. Ltd. (Attach)

301-000 5.12

PIGOTT STRUCTURES COMPANY LIMITED
ENGINEERS AND CONTRACTORS
P.O. BOX 309
HAMILTON, CANADA L8N 3G7

November 24, 1977

The Corporation of the City of Hamilton
City Hall
71 Main Street West
HAMILTON, Ontario
L8P 1H4

Attention: Mr. W. L. Phillips, P. Eng.
City Engineer

Re: 515 - Hamilton Central Library
and Farmer's Market
Budget Revision No. 3

Dear Sirs:

We have further reviewed the budget detail for the above noted project, together with the Architects, and submit herewith Cost Detail as per enclosed.

All items listed include a reduced contingency for interfacing. We stress at this time that this budget is tight but still achievable. Any further delay in the start of the project will certainly lead to additional cost.

Yours very truly

PIGOTT STRUCTURES COMPANY LIMITED

J. L. Neilson, P. Eng.
Vice-President & General Manager

JLN/ma

c.c. Mr. A. Butler
Mr. V. Alboini



PIGOTT BUILDING
HAMILTON

FOR HAMILTON CENTRAL LIBRARY & FARMER'S MARKET

NOVEMBER 24, 1977

1.	Hoarding and Jackson Square Window Protection	\$ 25,000.00
2.	Shoring Banks	50,000.00
3.	Excavation and Backfilling	220,000.00
4.	Forms and Concrete	2,020,000.00
5.	Reinforcing Steel and Mesh	810,000.00
6.	Mechanical	2,350,000.00
7.	Electrical	1,190,000.00
8.	Waterproofing Foundation Walls	22,000.00
9.	Waterproofing Exterior Slabs and Planters	20,000.00
10.	Elevators and Escalator	342,000.00
11.	Conveyors	130,000.00
12.	Weeping Tile and Stone Fill Exterior Walls	3,000.00
13.	Structural Steel and Metal Grating	74,000.00
14.	Steel Roof Deck	2,000.00
15.	Slab on Grade	85,000.00
16.	Roofing and Sheet Metal	85,000.00
17.	Window Washing Equipment	12,000.00
18.	Demolition Parapet Wall - Plaza Jackson Square	8,000.00
19.	a) Miscellaneous Metals	120,000.00
	b) Pipe Grid 5'-0" x 5'-0"	60,000.00
20.	Dock Levellers	4,000.00
21.	Sandblasting	21,000.00
22.	Stainless Steel Exterior Wall Panels	230,000.00

..... Cont'd Page 2

Statement of Assets

1	Real Estate and other assets	\$ 1,000,000.00
2	Investments	250,000.00
3	Accounts and notes receivable	150,000.00
4	Stocks and bonds	2,000,000.00
5	Prepaid expenses and other assets	100,000.00
6	Depreciable assets	5,000,000.00
7	Accumulated depreciation	(1,000,000.00)
8	Other assets	100,000.00
9	Contingencies and other assets	250,000.00
10	Accounts payable and other liabilities	(2,000,000.00)
11	Long-term debt	(5,000,000.00)
12	Current liabilities	(1,000,000.00)
13	Other liabilities	(2,000,000.00)
14	Retained earnings	1,000,000.00
15	Accumulated other comprehensive income	(500,000.00)
16	Other comprehensive income	(500,000.00)
17	Other assets	100,000.00
18	Other liabilities	(2,000,000.00)
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97	Other assets	100,000.00
98	Other liabilities	(2,000,000.00)
99	Other assets	100,000.00
100	Other liabilities	(2,000,000.00)

23.	Masonry Block Partitions and Galss Blocks	\$ 43,000.00
24.	Aluminum Windows and Skylights	470,000.00
25.	H/M Doors and Frames - Supply Only	30,000.00
	Finishing Hardware and Graphics - Supply Only	55,000.00
	Washroom Accessories - Supply Only	14,000.00
26.	Installation Work Item No. 25	15,000.00
27.	Manufactured Specialties (Supplied and Installed)	
	Flagpoles 2/No.	1,000.00
	Telephones Shelves	2,000.00
	Toilet Compartments	6,000.00
	Exterior Signs	4,000.00
	Folding Partitions 3/No. (1 punch operated)	30,000.00
	Chalk and Tackboards	1,000.00
28.	Drywall, Acoustical and Baffles	305,000.00
29.	Drywall and H/M Glazed Partitions	59,000.00
30.	Interior Glazing, Mirrors and Kiosks	15,000.00
31.	Stainless Steel Entrance Doors	16,000.00
32.	Rough Carpentry	9,000.00
33.	Finish Carpentry, Fitments - (Supply Only)	
	Counters, Cabinets and Vanities (Supply Only)	
	Doors Pl. Lam. S.C. & Grilles (Supply Only)	46,000.00
	Wood Slats Lecture Hall, Wood Deck Balconies, Wood Handrailing	10,000.00
34.	Installation Work Item 33	32,000.00
35.	Miscellaneous Caulking	3,000.00
36.	Quarry Tile, Ceramic Tile and Non-slip Pavers	81,000.00
37.	Painting and Vinyl Fabric	108,000.00
38.	Overhead Door No. 1 Multi-Leaf	12,000.00

..... Cont'd Page 3

39.	Misc. excavation and backfilling, forms, concrete and reinforcing steel for: Concrete Bases light standards, Flagpoles Kiosks, Stairs and Walls on Grade	\$ 15,000.00
40.	Vinyl Tile and Rubber Base	11,000.00
41.	Carpet	210,000.00
42.	Landscaping - Top Soil, Sodding and Planting	30,000.00
43.	Final Cleaning	15,000.00
44.	Temporary Facilities and Miscellaneous Cost Plus Work	325,000.00
45.	Pigott Structures Management Fee	378,616.00
	Plus 50% Performance Bond of Pigott Fee	1,376.00
46.	Tunnel Construction	150,000.00
47.	Additional escalator: concourse to plaza one way	104,000.00
		\$10,490,000.00

Sales taxes - Federal - included.
- Provincial - excluded.

Sewer Impost

Present Library and Market is Regional tax exempt, therefore, no sewer impost will apply.

Due to possible regional tax reform a cost of between .30¢ per sq. ft. gross area may go into effect.

This cost not included with the revised budget above and may never apply.

Insurances and Bonds (other than Pigott Bond)

Not knowing type required - not included.

PIGOTT STRUCTURES COMPANY LIMITED
ENGINEERS AND CONTRACTORS
P.O. BOX 309
HAMILTON, CANADA L8N 3G7

FILE NO. 301-00001	
LETTER NO. 205-82	
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December 13, 1977

City of Hamilton,
City Hall,
71 Main Street West,
Hamilton, Ontario
L8P 1H4

Attention: Mr. W. L. Phillips, P. Eng.,
City Engineer

Dear Sir:

Re: #515 - Hamilton Central Library
& Farmer's Market
Budget Revision No. 4

We have further revised the budget for the above project in the amount of \$10,390,000.00 for the above project. This is in accordance with our meeting of December 9, 1977, details as per enclosed.

The revisions are:

1) Vertical Book Conveyor - Deleted

No change with the shaft enclosing walls to be provided for future installation of this conveyor. Refer to Item No. 9.
Book Return Slide remains.
This change as per your instructions.

2) A General Contingency inclusion

Refer to Item #46 - \$231,008.00
This money sum has been arrived at by 2½% cost reduction from all major items.
As discussed and agreed there will be no contingency item for each trade package.

.... Cont'd Page 2

REPORT ON THE PROGRESS OF THE
RESEARCH AND DEVELOPMENT
IN THE FIELD OF
HUMANITIES AND SOCIAL SCIENCES

December 1, 1977

City of Hamilton,
Ontario,
Canada
L8S 4L7

Attention: Mr. W. A. Phillips, P. Eng.
City Engineer

Date: 12/1/77

Re: 8212 - Hamilton Central Library
1. Project's Status
Subject: Library No. 1

The above project involves the purchase of the
above amount in the amount of \$10,000.00
for the above project. This is in accordance
with the terms of the contract of December 1, 1977, details
as per attached.

The following are:

1) Vertical Line Drawing - Details

No change with the above drawing will be
be provided for future installation of this
drawing. Refer to item 2.
Bookshelves shall remain
This change is per your instructions.

2) A General General Drawing - Details

Refer to item 1 - 12/1/77
This money has been received as per 1/2
cost reduction from all major items.
As discussed and agreed upon with the
contingency item for each trade package.

CITY OF HAMILTON,
CITY HALL
Attention: Mr. W. L. Phillips, P. Eng.

Page 2

December 13, 1977

3) Hoarding and Window Screens

Relative cost \$25,000.00 has been included with Pigott site work - Item No. 42.

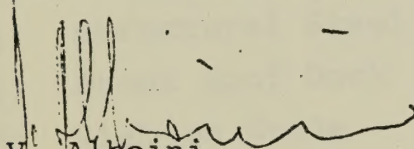
Refer to separate letter of same date.

This budget is based on a construction start if on or before January 15, 1978.

Trusting that you find the same in order, we remain,

Yours very truly,

PIGOTT STRUCTURES COMPANY LIMITED


V. Alboini,
Project Manager

VA:dm

cc: A. Butler, Architect,
Mr. J. L. Neilson, P. Eng.
Mr. J. Begley, P. Eng.

THE UNIVERSITY OF CHICAGO
LIBRARY
540 EAST 57TH STREET
CHICAGO, ILL. 60637

RECEIVED
JAN 10 1970
FROM THE
LIBRARY OF THE
UNIVERSITY OF CHICAGO
540 EAST 57TH STREET
CHICAGO, ILL. 60637
TO THE
LIBRARY OF THE
UNIVERSITY OF CHICAGO
540 EAST 57TH STREET
CHICAGO, ILL. 60637

LIBRARY OF THE
UNIVERSITY OF CHICAGO
540 EAST 57TH STREET
CHICAGO, ILL. 60637

LIBRARY OF THE
UNIVERSITY OF CHICAGO
540 EAST 57TH STREET
CHICAGO, ILL. 60637

FOR HAMILTON CENTRAL LIBRARY AND FARMER'S MARKET

DECEMBER 13, 1977

1)	Excavation and Shoring Banks	263,000.00
2)	Forms and Concrete	1,970,000.00
3)	Reinforcing Steel and Mesh	790,000.00
4)	Mechanical	2,292,000.00
5)	Electrical	1,160,000.00
6)	Waterproofing Foundation Walls	22,000.00
7)	Waterproofing Exterior Slabs and Planters	20,000.00
8)	Elevators and Escalators	334,000.00
9)	Conveyors	30,000.00
10)	Weeping Tile and Stone Fill Foundation Walls	3,000.00
11)	Structural Steel and Metal Grating	72,000.00
12)	Steel Roof Deck	2,000.00
13)	Slab on Grade	83,000.00
14)	Roofing and Sheet Metal	83,000.00
15)	Window Washing Equipment	12,000.00
16)	Demolition Parapet Wall - Plaza Jackson Square	8,000.00
17)	a) Miscellaneous Metals	117,000.00
	b) Pipe Grid 5'-0" x 5'-0"	59,000.00
18)	Dock Levellers	4,000.00
19)	Sandblasting	21,000.00
20)	Stainless Steel Exterior Wall Panels	224,000.00
21)	Masonry Block Partitions and Glass Blocks	42,000.00
22)	Aluminum Windows and Skylights	458,000.00
23)	H/M Doors and Frames - Supply only	29,000.00
	Finishing Hardware and Graphics - Supply only	54,000.00
	Washroom Accessories - Supply only	14,000.00
24)	Installation Work Item No. 23	15,000.00
25)	Manufactured Specialties (Supply and Install)	
	Flagpoles 2/No.	1,000.00
	Telephone Shelves	2,000.00
	Toilet Compartments	6,000.00
	Exterior Signs	4,000.00
	Folding Partitions 3/No. (1 power operated)	29,000.00
	Chalk and Tackboards	1,000.00
26)	Drywall, Acoustical and Baffles	298,000.00
27)	Drywall and Metal Glazed Partitions	58,000.00
28)	Interior Glazing, Mirrors and Kiosks	15,000.00
29)	Stainless Steel Entrance Doors	16,000.00
30)	Rough Carpentry - Supply and install	9,000.00
31)	Finish Carpentry - Fitments - (Supply only)	
	Counters, Cabinets and Vanities " "	
	Doors Pl. Lam. S.C. and Grilles " "	
	Wood Slats Lecture Hall " "	45,000.00
	Wood Deck Balconies " "	
	Wood Handrailing " "	10,000.00
32)	Installation Work Item 31	31,000.00
33)	Miscellaneous Caulking	3,000.00
34)	Quarry Tile, Ceramic Tile and Non-Slip Pavers	79,000.00
35)	Painting and Vinyl Fabric	105,000.00
36)	Overhead Door (1/No. Market) Multi-Leaf	12,000.00

SECTION 14.1000

1)	Excavation and Shoring Works	20,000.00
2)	Form and Concrete	1,000,000.00
3)	Reinforcing Steel and Wash	200,000.00
4)	Mechanical	1,000,000.00
5)	Electrical	1,000,000.00
6)	Nondestructive Foundation Tests	10,000.00
7)	Waterproofing Exterior Slabs and Foundations	20,000.00
8)	Plumbing and Gasfitters	200,000.00
9)	Conveyors	10,000.00
10)	Working Tilt and Taper Wall Foundation Walls	2,000.00
11)	Structural Steel and Metal Framing	70,000.00
12)	Steel Roof Deck	2,000.00
13)	Clad on Grade	20,000.00
14)	Roofing and Sheet Metal	20,000.00
15)	Window Washing Equipment	10,000.00
16)	Insulation Package Wall - Glass Jackson House	8,000.00
17)	at Miscellaneous Details	110,000.00
18)	at Pipe 1'-0" x 2'-0"	20,000.00
19)	Door Installation	1,000.00
20)	Sanitary	20,000.00
21)	Stainless Steel Exterior Wall Panels	100,000.00
22)	Stainless Steel Partitions and Glass Windows	40,000.00
23)	Aluminum Windows and Skylights	100,000.00
24)	Wet Walls and Frames - Supply only	20,000.00
25)	Finishing Hardware and Grout - Supply only	24,000.00
26)	Washroom Handcoves - Supply only	40,000.00
27)	Installation Work Item No. 12	10,000.00
28)	Nondestructive Inspection (Supply and Detail)	1,000.00
29)	Plumbing 1/2" to 2"	2,000.00
30)	Plumbing Fixtures	2,000.00
31)	Water Conditioning	2,000.00
32)	Exterior Signs	20,000.00
33)	Building Partitions 2'x6" 1/2" (per square foot)	2,000.00
34)	Chalk and Trophies	10,000.00
35)	Bay Wall, Reception and Walling	20,000.00
36)	Bay Wall and Metal Glass Partitions	10,000.00
37)	Interior Glass, Mirrors and Kitchens	10,000.00
38)	Stainless Steel Entrance Doors	5,000.00
39)	Rough Carpentry - Supply and Detail	10,000.00
40)	Finish Carpentry - Elements - (Supply only)	10,000.00
41)	Counters, Cabinets and Vanities	10,000.00
42)	Boys Rm. S.C. and Walling	10,000.00
43)	Wood Stair Landing Hall	10,000.00
44)	Wood Deck Balconies	10,000.00
45)	Wood Handrails	10,000.00
46)	Installation Work Item 11	1,000.00
47)	Nondestructive Inspection	10,000.00
48)	Quarry Tiles Ceramic Tiles and Non-Slip Surfaces	100,000.00
49)	Roofing and Vinyl Siding	10,000.00
50)	General Work (1'x6", 2'x6", 2'x8")	10,000.00

DECEMBER 13, 1977

37)	Misc. Excavation and Backfilling, Forms, Concrete and Reinforcing Steel for: Concrete Bases Light Standards, Flagpoles, Kiosks, Staris and Walls on Grade	15,000.00
38)	Vinyl Tile and Rubber Base	11,000.00
39)	Carpet	205,000.00
40)	Landscaping (Top soil, Sodding and Planting)	30,000.00
41)	Final Cleaning	15,000.00
42)	Temporary Facilities and Miscellaneous Cost Plus Work -	350,000.00
43)	Pigott Structures Management Fee	378,616.00
	Plus 50% Performance Bond on Pigott Fee	1,376.00
44)	Tunnel Construction	147,000.00
45)	Additional Escalator	101,000.00
46)	Contingency	<u>231,000.00</u>

Total Revised Budget No. 4 10,390,000.00

Sales Taxes - Federal - Included
Provincial- Excluded

Reference Management Committee Meeting October 13, 1977
Clause 2 - Budget Paragraph 5

a) Sewer Impost

Present Library and Market is Regional tax exempt, therefore no sewer impost will apply.

Due to possible regional tax reform a cost of between .30¢/sq. ft gross area may go into effect.

This cost not included with the revised budget above and may never apply.

b) Insurance and Bonds

50% Performance Bond Item No. 43 above only included -
No other included.

301-00053

25 November 1977

FILE NO. <i>301-00053</i>	
ENTER NO. <i>103-88</i>	
DEPT. OF ENGINEERING	
NOV 28 1977	
ENGINE	REC'D
DWG	READ BY
OM	<i>[initials]</i>
TS	
PLAN	ANS. BY
<i>[initials]</i>	
DETAIL	
SECTION	FILED BY
OTHER	<i>[initials]</i>
NOTE	

Mr. W. L. Phillips
City Engineer & Co-ordinator
Lloyd D. Jackson Square
City Hall
Hamilton, Ontario

Dear Mr. Phillips:

Re: Hamilton Central Library and Farmers' Market

As you requested, we confirm our acceptance of Budget Revision No. 3 for this project, which was presented to you yesterday by Pigott Structures.

We recognize that the budget is tight and emphasize the importance of the Pigott statement "Any further delay in the start of the project will certainly lead to additional cost."

Yours very truly,

Anthony Butler

Anthony Butler

AB/dbh

c.c. P. Brook
Pigott Structures

Enter/Leave

November 22, 1978

Mr. W. L. Phillips
City Engineer
City Hall
Hamilton, Ontario
L8N 3T4

Dear Mr. Phillips:

Re: The Hamilton Central Library and Farmers' Market
Bid Package No. 14, Stainless Steel Exterior Wall Panels,
Caulking and Cleaning - E78-38 (LM)

This letter will confirm the points we discussed yesterday explaining why we did not use the Form of Tender supplied by the City.

Paragraph 01 of the Form of Tender is referenced to the Contract Documents and to use it would be agreeing to all conditions contained in those documents. Therefore, any qualifications made would be incompatible with that clause.

Here is a list of the points to which we take exception:

1. The performance bond, as written into the Tender Documents, is unacceptable to our surety company, who are not prepared to issue a bond which does not include these two sentences:
"Any suit under this bond must be instituted before the expiration of two years from the date on which final payment under the Contract falls due."
"The Surety shall not be liable for a greater sum than the specified penalty of this Bond."
2. The maintenance requirement for twenty-four months is contrary to normal trade practice. Instead, we offer a normal construction guarantee against defective materials and/or workmanship but we cannot agree to a twenty-four month maintenance requirement making us responsible for any damage during that period, regardless of its cause.
3. The liquidated damages clause offers no protection to us in the event of job delay by outside influences such as other trades, deferment by the Owner, changes by the Architect, material availability, etc. Therefore, it is unacceptable in its present form.

FILE NO.....			
LETTER NO. <i>267-72</i>			
DEPT. OF ENGINEERING			
NOV 23 1978			
READ BY	ANS BY	FILED BY	
D.E.		DFS	
O.M.		DES. 2	
PLAN		UTIL	
DEV.		DRAFT	
CONST		SPECS	
C. SURV		C. ACC	
ELEC		SEC. C.E.	

- 2

November 22, 1978

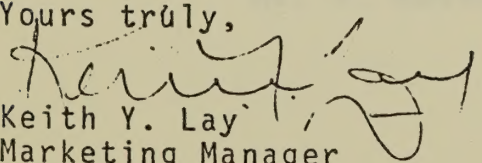
Mr. W. L. Phillips

- 2

4. The Supplementary Instructions to Bidders calls for us to commence work on site within 7 days after contract award, which is impossible. Also, the completion time (which we are asked to supply) can only be determined after discussions with the Project Manager and other sub-trades which affect our work.
5. The Wage Schedule in the Tender Documents, we suggest, is two years out of date and we are bound by union contracts whose wage scales do not relate to the Wage Schedule. We would expect our union rates to be the basis for payment of any additional work.
6. We will comply with paragraph 02.07 of the General Conditions and paragraph 8119 of the Metal Wall Panel Division of the Specifications both concerning normal cleanup of our work, but we cannot accept responsibility for final cleanup as called for elsewhere in the Specification.
7. Nor can we accept responsibility for cleaning the pavement which would normally be the responsibility of a general contractor.
8. Paragraph 01.06 of Instructions to Bidders states that Tenders must be accompanied by plans, specifications, schedules and guarantees of the Bidder. We neither understand the intent nor could we comply with this clause.
9. The Sample contract document to be executed by the successful bidder, "Contract For Works" and the general conditions, contain clauses the wording of which is difficult to interpret and might imply a broader liability on the contractor than we believe is intended and fair (e.g., the Hold Harmless clause). We recommend that a standard Form of Contract of the Canadian Construction Association be used.

These are the main points to which we take exception and in our opinion, no fair and sound tender could be submitted without qualification. Any qualification (even the performance bond) is contradictory to paragraph 01 on the Form of Tender, therefore, we had no alternative but to use our own tender form and risk disqualification.

Yours truly,


Keith Y. Lay
Marketing Manager

c.c. Mr. Anthony Butler

PIGOTT STRUCTURES COMPANY LIMITED
ENGINEERS AND CONTRACTORS
P.O. BOX 309
HAMILTON, CANADA L8N 3G7

November 23, 1978

The Corporation of the
City of Hamilton
P.O. Box 2040
Hamilton, Ontario
L8N 3T4

Attention: Mr. W. L. Phillips, P. Eng.
City Engineer

Gentlemen:

Re: 515 - Hamilton Central Library
and Farmer's Market
B.P. #37 - Misc. Concrete & Waterproofing

Concerning B.P. #37 - Miscellaneous Concrete and
Waterproofing, we called six (6) local companies
but they all refused to tender.

Only two companies picked up the tender documents,
Avenue Structures and Saltfleet Construction. The
latter decided not to tender, this resulted to re-
ceipt of only one tender for B.P. #37 - Misc.
Concrete and Waterproofing.

This is for your information and record.

Yours very truly

PIGOTT STRUCTURES COMPANY LIMITED

V. Alboini
Project Manager

VA:jm

cc: A. Butler, Architect
Mr. V. C. Catchick
Mr. P. Hatton

FILE NO.....			
LETTER NO. <u>267-86</u>			
DEPT. OF ENGINEERING			
NOV 24 1978			
READ BY	ANS BY	FILED BY	
D.E.		DES	
D.M.		DES. 2	
PLAN			
REV.			
COUNT			
C. CHECK		C. ACC	
ELEC		SFC C.E.	

10 May 1977

Mr. W. L. Phillips
City Engineer & Coordinator
Lloyd D. Jackson Square
City Hall
Hamilton, Ontario

Dear Mr. Phillips:

RE: Hamilton Central Library and Farmers' Market

As you are aware, we were requested by the City to appoint an associate architect for the Farmers' Market portion of this project. We subsequently engaged William E. Wall as this associate, and his engagement was incorporated in our agreement with the City dated 28 October 1975.

Mr. Wall participated in the planning of the Market, but has now asked to be released from further commitment on the project. I brought this request to the attention of Board of Control early in April.

The approved design of the Market is an integral part of the building complex, and cannot be isolated as a distinct entity so that separate drawings or specifications could be prepared by another architect.

We therefore request that the Board of Control permit us to release Mr. Wall from any further engagement on this project. We intend to protect the City fully against any claims which may arise as a result of the termination of Mr. Wall's engagement.

We would appreciate it if you would take this matter to Board of Control at the earliest opportunity.

Yours very truly,

Anthony Butler

Anthony Butler

AB/dbh

c.c. J. R. Jones
P. Brook

FILE NO.	
LETTER NO. <u>1165-49</u>	
DEPT. OF ENGINEERING	
MAY 10 1977	
ROUTE	RECVD
DCE	READ BY
DM	
TS	
PLAN	ANS. BY
DESIGN	
CONST.	
C. SURV.	FILED BY
OPER	
ADCE	

13 May 1977

Mr. Chairman and Members,
Board of Control.

Re: Central Library and Farmers' Market,
Architects

Members of the Board:

I forward herewith a copy of a letter dated 10 May, 1977, which I received from Mr. A. Butler, Architect for this project.

When Mr. Butler was appointed Architect for this project, the City requested that he appoint an Associate Architect for the Farmers' Market portion of the complex. Subsequently Mr. Butler engaged Mr. William E. Wall, as this Associate and this arrangement was incorporated into the agreement dated 28 October 1975.

Mr. Butler is now requesting that your Board permit him to release Mr. Wall from any further involvement with this project.

RECOMMENDATION:

1. I recommend that your Board approve the request that Mr. A. Butler release Mr. W. E. Wall from any further involvement on this project.
2. In addition, I would recommend that your Board refer Mr. Butler's letter, dated 10 May 1977, to the City Solicitor for his advice as to whether the letter is acceptable and in proper form to protect the City from any claims which may arise as a result of this action.

Respectfully submitted,

City Engineer and
Co-ordinator, Lloyd D. Jackson Square.

WLP:jb (Encl.)
c. c. Controller I. Stout
c. c. Mr. K. A. Rouff, City Solicitor

W.L. PHILLIPS
B.A. SC., M.E.I.C., P. ENG.,
CITY ENGINEER
AND
CO-ORDINATOR
LLOYD D. JACKSON SQUARE



REFER TO FILE NO. 301-0008*

ATTENTION OF W. L. Phillips

YOUR FILE NO. NOV 27 1978

THE CORPORATION OF THE CITY OF HAMILTON

DEPARTMENT OF ENGINEERING
CITY HALL, HAMILTON
L8N 3T4

27 November 1978

RECEIVED

NOV 28 1978

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Mr. Chairman and Members,
Board of Control.

Re: Central Library and
Farmers' Market

Members of the Board:

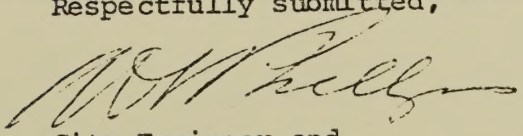
Further to my reports, dated 24 November 1978, I wish to advise you that there are three contracts that must be finalized before 1 December 1978. These are as follows:

1. Contract No. E-78-14(LM) - Bid Package No. 13
Roofing
2. Contract No. E-78-25(LM) - Bid Package No. 15
Aluminium Windows & Doors
3. Contract No. E-78-12(LM) - Bid Package No. 7
Elevators and Escalators

With respect to Items 1 and 2 above, these contracts have not been awarded and the City has until 1 December 1978 to accept the tenders. In the case of Item 3, the contract has been awarded but the contractor has provided credits for the deletion of certain parts of the contract and the credits expire on 1 December 1978.

I would recommend to your Board that these contracts be finalized this week. In addition, the remainder of the bid packages should be awarded as soon as City Council has decided on the overall project.

Respectfully submitted,


City Engineer and
Co-ordinator, Lloyd D. Jackson Square.

WLP:jb

- c. c. Controller P. O. Valeriano
- c. c. Mr. Anthony Butler, Architect
- c. c. Mr. V. Alboini, Pigott Structures Co. Ltd.

W.L. PHILLIPS
B.A.S.C., M.E.I.C., P.ENG.,
CITY ENGINEER
AND
CO-ORDINATOR
LLOYD D. JACKSON SQUARE



REFER TO FILE NO 301-0008*

ATTENTION OF W. L. Phillips
YOUR FILE NO. NOV 27 1978

THE CORPORATION OF THE CITY OF HAMILTON

DEPARTMENT OF ENGINEERING
CITY HALL, HAMILTON
L8N 3T4

27 November 1978

Mr. Chairman and Members,
Board of Control.

Re: Central Library and
Farmers' Market

Members of the Board:

I forward, herewith, a copy of a letter, dated 22 November 1978, from Pigott Structures Co. Ltd. with which they forward a copy of letters dated 21 November 1978 from Riddell Sheet Metal and Roofing Ltd. and dated 16 November, 1978, from Sentinal Aluminium Products Ltd.

These two companies agree to extend the acceptance period for their tenders to 1 December 1978 for Bid Packages No. 13 and No. 15 respectively.

Respectfully submitted,

City Engineer and
Co-ordinator, Lloyd D. Jackson Square.

WLP:jb
Encl.

- c. c. Controller P. O. Valeriano (Encl.)
- c. c. Mr. Anthony Butler, Architect
- c. c. Mr. V. Alboini, Pigott Structures Co. Ltd.

PIGOTT STRUCTURES COMPANY LIMITED
ENGINEERS AND CONTRACTORS
P.O. BOX 309
HAMILTON, CANADA L8N 3G7

November 22, 1978

The Corporation of the
City of Hamilton
P.O. Box 2040
Hamilton, Ontario
L8N 3T4

Attention: Mr. W. L. Phillips, P. Eng.
City Engineer

Gentlemen:

Re: 515 - Hamilton Central Library
and Farmer's Market

Follow-up of our management meeting of November 16, 1978, the contractors B.P. #13 - Roofing, and B.P. #15 - Aluminum Windows have agreed to further extend the acceptance period of their tender from November 24, 1978 to December 1, 1978.

Refer to copy of their letter, copy enclosed -

Riddell Sheet Metal - letter dated November 21, 1978.
Sentinel Aluminum - letter dated November 16, 1978.

This is for the record.

Yours very truly

PIGOTT STRUCTURES COMPANY LIMITED

V. Alboini
Project Manager

VA:jm
Enclosure

cc: Mr. J. Mills, A. Butler, Architect
Mr. V. C. Catchick
Mr. P. Hatton

FILE NO.		
LETTER NO. 267-66		
DEPT. OF ENGINEERING		
NOV 23 1978		
READ BY	ANS BY	FILED BY
D.E.		DES
S.M.		DES. 2
PLAN		UTIL
DEV.		DRAFT
CONST		SPEC
C. SURV		C. ACC
ELEC		SEC C.E.



Riddell Sheet Metal & Roofing Limited

389 KENDRA AVENUE

HAMILTON, ONTARIO, L8E 2W3

CONTRACTORS AND MANUFACTURERS

November 21, 1978

Pigott Construction Co. Ltd.
P. O. Box 309
Hamilton, Ontario
L8N 3G7

ATTENTION: MR. V. ALBOINI

Gentlemen:

RE: HAMILTON CENTRAL LIBRARY
& FARMERS MARKET
BID PACKAGE #13
ROOFING & SHEET METAL

As requested, we herein agree to extend the acceptance period on
the above-mentioned project to Friday, December 1, 1978.

Yours truly,

RIDDELL SHEET METAL & ROOFING LIMITED

Per

M. Purvietis
M. Purvietis, Estimator

MP/do

ROOFING
ASBESTOS ROOFS
ASPHALT ROOFS, GRAVEL ROOFS
SLATE ROOFS, TILE ROOFS
CORRUGATED IRON
SKYLIGHTS, VENTILATORS, FLASHINGS
ASBESTOS SHINGLES
ASPHALT SHINGLES

FIRE DOORS
STANDARD UNDERWRITERS
LABELLED
KALAMEIN DOORS
STEEL PLATE DOORS

SHEET METAL WORK
DUST COLLECTING & VENTILATING
SYSTEMS, STACKS, STAIR TREADS
TOILET PARTITIONS, CUSTOM
SHEARING & PRESS FORMING
SPECIAL OVENS & METAL WORKING
IN ALL TYPES OF MATERIAL

KITCHEN & HOSPITAL
EQUIPMENT
STEEL, MONEL METAL
STAINLESS STEEL
TABLES, LOCKERS, SINKS

ALL CONTRACTS CONTINGENT UPON STRIKES, ACCIDENTS AND OTHER CAUSES BEYOND OUR CONTROL

Sentinel

aluminum products co. limited

150 railside rd. don mills - ontario - canada - M3A 1A8
telephone (416) 444-5201

November 16, 1978.

Pigott Structures Co. Limited,
Engineers and Contractors,
P. O. Box 309,
Hamilton, Ontario.
L8N 3G7

RE:
NOV 20 1978
V A

Attention: Mr. V. Alboini.

Gentlemen:

Re: Hamilton Central Library and Farmers Market.

This is to advise our tender for the above project will remain firm up to and including December 1, 1978.

Trusting this will meet with your approval, we are.

Yours very truly,

L. B. Banatti

LBB:gc

L. B. Banatti.
Architectural Sales Manager.



chitectural aluminum windows • curtain walls • entrances • sloped windows



RECEIVED
DEC 7 1978
LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

THE CORPORATION OF THE CITY OF HAMILTON

OFFICE OF
CITY ARCHITECT
HAMILTON, ONTARIO

November 28, 1978

Mr. J. R. Jones, Secretary,
Board of Control.

Dear Mr. Jones:- Re: Library/Farmers' Market Project,
Report on Cost Overrun, etc.

With respect to your letters on the reference matter dated November 7th and November 17th, current, please be informed as follows:

A: COST OVERRUN:

On the one hand, I had not been at all involved in the Library/Farmers' Market Project until just now, and thus have only a very sketchy idea of the layout, design and construction of this Project on which several Architects, the Library Board, the Jackson Square Co-ordinator, lately the Project Management Team and others, have been working on for several years now.

Not being at all involved in or connected to the Project, I was not privy to undoubtedly great number of all kinds of meetings at which the Requirements, the Design concept and Design Parameters, the costing, etc., etc. have been discussed, established, approved by Powers-to-Be and developed over a period of several years, therefore when saddled with the task of investigating and reporting on the Cost Overrun and other aspects of this complex Project which was further complicated by the Project Management approach, I stepped in "cold" with nothing to go on but voluminous project files, with not even enough time to go through them all between November 17th, when I received some of the pertinent documents, and to-day.

On the other hand, in perusing the project files I singled out several documents, (estimates of cost), which could, and probably do, hold the answer to the reason for the cost "overrun" on the project, as follows:

1. Budget Quotation, (first estimate of cost of the project) from Pigott Structures Company Limited to the City of Hamilton, dated October 12, 1977, in the amount of:

Total Estimated Cost \$12,177,639.00

This Budget Price was, (I quote): "based on very preliminary

floor	continued page 2 X 10,500.00
Removal of staff washrooms , 2nd, 3rd, and 5th floors	3,500.00
Deletion of Computer Room	10,000.00 ✓
Deletion of certain offices	10,000.00 ✓
Deletion of landscape terraces	3,000.00
TOTAL REDUCTION:	292,441.00

215,633.00

Drawings, Sketches and Brief Outline Specifications, dated September 12th and 21st, 1977".

In view of the above mentioned very preliminary and sketchy stage of design for the project, Pigott Structures Limited, being experienced Contractors and Estimators, undoubtedly assessed at the time that it would take at least half a year or more to develop Working Drawings and Specifications for Tendering and probably also took into consideration the fact that the development of Working Drawings and Specifications from very preliminary design sketches more often than not brings out problems not readily apparent in the preliminary design stage and results in additional costs, - included in their estimates, as a separate item, 5% Contingency Allowance, (amounting to \$579,887.00), to cover the continuing inflationary construction cost escalation during the period of Design development and probable additional costs resulting from design development, which was quite justifiable, (although in my opinion not conservative enough under the circumstances).

It would appear that costs of some Items of Work, e.g. Roofing, Finishing Carpentry, Miscellaneous Concrete Work, Hollow Metal, had been badly under-estimated from the start.

2. First Revision of the Preliminary Budget, from Pigott Structures Company Limited to the City of Hamilton, dated October 26, 1977, in the amount of:

Total Budget Price Revised \$10,828,492.00

This Revised, October 26, 1977 Estimate, when compared with the first, October 12, 1977 Estimate, shows reduction of cost of some of the individual Items of Work in the total amount of \$765,157. increase of cost of some other Items of Work in the total amount of \$484,079., leaves the cost of approximately one-half of the Items of Work unchanged, and adds one new \$61,000. Item of Work, with the Net Reduction from the October 12, 1977 estimate of \$281,108.

Aside from the above noted reduction to costs of individual Work Items, the October 26, 1977 Revised Budget Estimate of \$10,828,492.,

continued page 3

floor	X 10,500.00
Removal of staff washrooms , 2nd, 3rd, and 5th floors	3,500.00
Deletion of Computer Room	10,000.00 ✓
Deletion of certain offices	10,000.00 ✓
Deletion of landscape terraces	3,000.00
TOTAL REDUCTION:	292,441.00

215,633.00

explicitly Excludes from the Total Budget Price, the following:

- Cost of Tunnel Construction: \$150,000.
(reduced from \$200,000.
October 12, 1977 price)
- Cost of an additional escalator: \$104,000.
- Cost of Performance Bonds: approx. \$ 37,000.,

and also drops from the estimated Budget Price the following Items of Work which had been included in the October 12, 1977 estimates:

- Relocation of the existing 18" sewer line: \$ 30,500.
- Drainage system floors on grade: \$ 17,934.
- Lockers: \$ 3,000.
- Two (2) out of three (3) over-head Multi-leaf doors: \$ 11,000.
- Metal partition and glass: \$126,000.
- Vault frame, door and shelving: \$ 2,500.
- Mail box: \$ 1,000.
- Traffic signs: \$ 2,000.
- Total: \$484,934.

It is my understanding that some of the Excluded and "dropped" Items of Work were subsequently either Tendered separately or included in the Bid Packages, with the others although minor probably still required for completion of the Project, therefore if the \$484,934. total cost of the Excluded and "dropped" Items of Work were to be added to the \$10,828,492. Budget Cost, the October 26, 1977,

Total Revised Budget Price would have become \$11,313,426.00

continued page - 4

floor	X 10,500.00
Removal of staff washrooms , 2nd, 3rd, and 5th floors	3,500.00
Deletion of Computer Room	10,000.00 ✓
Deletion of certain offices	10,000.00 -
Deletion of landscape terraces	3,000.00
TOTAL REDUCTION:	292,441.00

215.833...

The October 26, 1977 estimate also indicates that the 5% Contingency Allowance, which in the October 12, 1977, estimate was included as a separate item, is now "included" in the costs of all individual Items of Work and thus does not appear as a separate item, but from the fact that the costs of approximately one-half of the individual Items of Work did not change from the previous October 12, 1977 Estimate of Cost, also from the spot-checks of some Individual Work Items which, although the gross cost of these Items was somewhat reduced, indicated that the "net" costs of these individual Work Items had been actually reduced by mere dollars, makes one suspect that, contrary to the indication in the estimate, the 5% Contingency Allowance was in fact dropped from the October 26, 1977 Revision.

If that really was the case and if the 5% Contingency Allowance were to be re-instated in the October 26, 1977 estimate, an amount of \$549,350. would have to be added to the total Estimated Cost, and the October 26, 1977 total

Total Estimated Cost would thus have become ... \$11,862,776.

In view of the above and since the "philosophy" behind Excluding or "dropping" various obviously necessary Items from the Total Estimated Cost of a construction Project escapes me, (because those costs are not likely to simply "go away" in actual construction just because they were excluded or omitted from the Estimator's page), it would appear to me that the October 26, 1977, \$10,828,492 Budget Price Revision was a tongue-in-cheek exercise, based on wishful thinking and with "cross our fingers" attitude.'

While I was not able to locate in the project files the subsequent Budget Revision No. 2, or its amount, the Pigott Structures Ltd. Budget Revision # 3, dated November 24, 1977, in the

Total amount of \$10,490,000,

reinstates the Construction of the Tunnel and the additional Escalator at further reduced costs, (\$147,000. and \$101,000. respectively), in the revised Budget, but still excludes the cost of Performance Bonds, (approx. \$38,000.) and the costs of the "dropped" Items listed under the comments on the October 26, 1977 Budget Revision, and only mentions the inclusion in the Revised Budget of the "elusive" Contingency Allowance but in the undisclosed amount.

continued page - 5

floor	→ 10,500.00
Removal of staff washrooms, 2nd, 3rd, and 5th floors	3,500.00
Deletion of Computer Room	10,000.00 ✓
Deletion of certain offices	10,000.00 ✓
Deletion of landscape terraces	3,000.00
TOTAL REDUCTION:	292,441.00

215.633...

The Budget Revision # 4, with the

Total Revised Budget of \$10,390,000.,

prepared by Pigott Structures Ltd. and dated December 13, 1977, was arrived at by further minor reduction to previous costs of individual Items of Work, by deletion from the Budget of the Conveyor equipment while leaving in the facilities (shaft, etc.) for its provision in the future, and by re-introducing in the Budget the elusive Contingency Allowance in the amount of \$231,000. which this time is achieved by a further 2½% reduction of the estimated cost of all "major items" which had already been reduced and would leave no Contingency in individual Trade (Bid) Packages.

As I understand it, the Budget Revision # 4 was subsequently rounded up and approved as the Final Construction Budget for the Library/Farmers' Market Project in the amount of ...\$10,400,000.

(Note: The Cost of Performance Bonds, (approx. \$35,000.), and all the "dropped" Items of Work, (approx. \$190,000.), as listed in my comments on the Budget Revision # 1 of October 26, 1977, were excluded from the Budget Revision # 4 and thus from the final \$10,400,000. Construction Budget, and had they been added the Construction Budget would have become\$10,630,000.)

I would like to introduce at this point a letter from Pigott Structures Company Limited to the City of Hamilton, dated February 17, 1978, which, among other matters, contains in my view very important and indicative paragraph which seems to bear out the view I tentatively expressed in my comments on the first Revision of the Budget Cost of October 26, 1977, namely that all the downward Budget Revisions on this project were done by Estimators at their desks by reducing cost figures, rather than being done by the Library Board and their Architects at their Architects' Drafting Board by reducing the size of the building.

I quote from the said letter:

"during the fall of 1977, we were required to prepare a series of Budgets whereby it is recorded that despite the fact that the Design Parameters did not appreciably change, the total Budget acceptable to the City did in fact shrink appreciably to its present value."

continued page - 6

floor	➤ 10,500.00
Removal of staff washrooms, 2nd, 3rd, and 5th floors	3,500.00
Deletion of Computer Room	10,000.00 ✓
Deletion of certain offices	10,000.00 ✓
Deletion of landscape terraces	3,000.00
TOTAL REDUCTION:	292,441.00

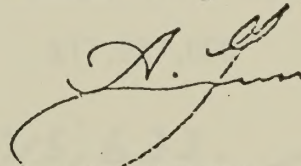
215,833.00

With so much of construction work on the Library/Farmers Market Complex already completed and with so much in progress, and with so much of the project Funds committed in already awarded Contracts, all in accordance with the original concept of the building, undertaking any deletions just because they are "functionally non-essential", in order to save some money at this late stage, would in my opinion as that of an Architect, (and as that of a taxpayer), be imprudent, sad and not worthy of our Ambitious City, especially when one considers that the deletion of all of the non-essential creature-comfort and aesthetical "niceties" presently being considered, (which could amount to a maximum saving of \$218,000. without affecting the functionality), is less than 2% of the total Cost of the Project.

One should also consider that it is the Architect's overall concept, the minor details, the creature-comforts and other intangible "non-essentials" and "niceties" which - at a price of course - make Hamilton Place, the Hamilton Place, make Hamilton Art Gallery the Hamilton Art Gallery and which hopefully would make Hamilton Library the Hamilton Library.

My recommendation therefore is that no deletions beyond the elimination of the glass sides to the elevators be made.

Yours very truly,



A. K. GERMAN -
City Architect

AKG/amj

floor	→	10,500.00
Removal of staff washrooms, 2nd, 3rd, and 5th floors		3,500.00
Deletion of Computer Room		10,000.00 ✓
Deletion of certain offices		10,000.00 -
Deletion of landscape terraces		3,000.00
TOTAL REDUCTION:		292,441.00

215.633.11

REPORT OF THE BOARD OF CONTROL

NOV 23 1978

To the Council of The Corporation of the City of Hamilton.

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Members of Council:-

The Board of Control presents its FIFTY-FIFTH Report and respectfully recommends:-

1. The following is the financial picture with respect to the Library/Farmers' Market Project:-

Budget amount approved by the Ontario Municipal Board	\$11,240,000
---	--------------

Original estimate (Excluding Architects' fees, etc.)	\$10,490,000
--	--------------

Revised Estimate as a result of reviewing tenders on the first 8 Bid Packages	\$11,240,000
---	--------------

Estimated cost as a result of reviewing final 31 bid packages	\$11,975,000
---	--------------

Change orders made to date which have previously been approved by City Council	\$ 48,000
--	-----------

Revised estimate as a result of approved change orders	\$11,927,000
--	--------------

Recommended deletions now being submitted to Council	\$292,500 - 215,633. → 11,711,367.
--	------------------------------------

Present revised estimated cost	\$11,634,500
--------------------------------	--------------

Additional amount required	394,500 → 471,367
----------------------------	-------------------

2. The following is a list of the changes being recommended by the Board of Control which make up the \$292,500 referred to in the statement above which will be submitted to Council in the form of change orders to the various contracts.

Adjustments to sprinkler system	<u>REDUCTION</u> \$76,857.00
---------------------------------	---------------------------------

Deletion of escalator No. 1 (Library)	50,308.00
---------------------------------------	----------------------

Anticipated reduction in Bid Package No. 23 (glazed partitions - reduction of partitions)	42,000.00
---	-----------

Changes to Bid Packages Nos. 13 and 15 (Roof and sky domes)	66,276.00
---	-----------

Remove helon system (Fire Protection) from special book collections	20,000.00
---	----------------------

Remove stair 11 from 6th floor to 5th floor	10,500.00
---	-----------

Removal of staff washrooms, 2nd, 3rd, and 5th floors	3,500.00
--	---------------------

Deletion of Computer Room	10,000.00 ✓
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Deletion of certain offices	10,000.00 ✓
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Deletion of landscape terraces	3,000.00
--------------------------------	---------------------

TOTAL REDUCTION:	292,441.00
------------------	------------

215,633.00

3. The Board of Control recommends that the project be proceeded with with the above changes at a total revised estimated cost of \$11,634,500.00 which is \$394,500 over the previously approved estimate and that the City Solicitor be authorized and directed to make application to the Ontario Municipal Board for approval of the revised estimated cost of this project in the amount of \$11,634,500.00. It will not be necessary to provide for the debenturing of additional funds as it is proposed, and recommended that the additional amount of \$394,500.00 be charged to the capital budget contingency and financed from the 1978 capital levy. *4 or 1479 capital levy.*

4. That the City Clerk forward an official copy of this resolution to the Clerk of the Regional Municipality of Hamilton-Wentworth.

RESPECTFULLY SUBMITTED,

JOHN A. MACDONALD, MAYOR,
CHAIRMAN, BOARD OF CONTROL.

J. R. Jones, Secretary,
November 28, 1978.

RECEIVED

NOV 28 1978

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Library, Farmer Market Piggott says cost overrun is city's fault

PIGGOTT STRUCTURES Ltd. doesn't plan to take the blame for the \$1 million cost overrun on the library-market project.

In a letter to board of control yesterday, Piggott general-manager V. C. Catchick stated the company does not accept the position that the city may claim costs or damages for the overrun.

Letters sent to the company last month stated board of control was reserving its right to claim for reimbursement and damages from all parties having responsibility for costs incurred over the budget of the project.

Mr. Catchick said as construction managers of the project, Piggott is responsible only for construction of the library-market.

"We have do not have any control over any other aspect of the project," he said.

Mr. Catchick said the project architect (Anthony Butler) has control over the design and work on the project but complete control over both the architect and the construction manager is held by the city.

Mr. Catchick stated it was the city that agreed to enter into contracts that

were budgeted at more than the work estimates.

"We are unable to see how we, your construction managers, could be held responsible under such circumstances where over-budget contracts were voluntarily entered into by the city," he said.

"The city did not have to enter into these contracts and more drastic cut backs than the ones adopted could certainly have been implemented had the city so desired."

Mr. Catchick further stated it was the city that set and approved the budget for the project.

MEETING OF CITY COUNCIL

NOVEMBER 29, 1978

A G E N D A

A..... Board of Control

J..... By-law

REPORT OF THE BOARD OF CONTROL

To the Council of The Corporation of the City of Hamilton.

Members of Council:-

The Board of Control presents its FIFTY-FIFTH Report and respectfully recommends:-

1. The following is the financial picture with respect to the Library/Farmers' Market Project:-

Budget amount approved by the Ontario Municipal Board	\$11,240,000
Original estimate (Excluding Architects' fees, etc.	\$10,490,000
Revised Estimate as a result of reviewing tenders on the first 8 Bid Packages	\$11,240,000
Estimated cost as a result of reviewing final 31 bid packages	\$11,975,000
Change orders made to date which have previously been approved by City Council	\$ 48,000
Revised estimate as a result of approved change orders	\$11,927,000
Recommended deletions now being submitted to Council	\$292,500
Present revised estimated cost	\$11,634,500
Additional amount required	394,500

2. The following is a list of the changes being recommended by the Board of Control which make up the \$292,500 referred to in the statement above which will be submitted to Council in the form of change orders to the various contracts.

	REDUCTION	
Adjustments to sprinkler system	X \$76,857.00	out
Deletion of escalator No. 1 (Library)	50,308.00	in
Anticipated reduction in Bid Package No. 23 (glazed partitions - reduction of partitions)	42,000.00	out
Changes to Bid Packages Nos. 13 and 15 (Roof and sky domes)	66,276.00	out
Remove helon system (Fire Protection) from special book collections	20,000.00	in
Remove stair 11 from 6th floor to 5th floor	10,500.00	out
Removal of staff washrooms, 2nd, 3rd, and 5th floors	3,500.00	in
Deletion of Computer Room	10,000.00	out
Deletion of certain offices	10,000.00	out
Deletion of landscape terraces	3,000.00	in
A.1 TOTAL REDUCTION:	\$292,441.00	

3. The Board of Control recommends that the project be proceeded with with the above changes at a total revised estimated cost of \$11,634,500.00 which is \$394,500 over the previously approved estimate and that the City Solicitor be authorized and directed to make application to the Ontario Municipal Board for approval of the revised estimated cost of this project in the amount of \$11,634,500.00. It will not be necessary to provide for the debenturing of additional funds as it is proposed and recommended that the additional amount of \$394,500.00 be charged to the capital budget contingency and financed from the 1978 Capital Levy.

That the City Clerk forward an official copy of this resolution to the Clerk of the Regional Municipality of Hamilton-Wentworth.

4. That leave be granted to introduce Bill No. 302 -- By-law to Confirm proceedings of the Council of The Corporation of the City of Hamilton at its meeting held on the 29th day of November, A.D., 1978.
5. Approval of the action of the Board of Control in awarding the following contracts and purchases:-

(1) MATHEWS CONVEYOR CO., Hamilton, Ontario

- Re: Engineering Department -

Contract No. E-78-37(LM) Hamilton Central Library and Farmers Market, Bid Package #8, Conveyor, on a unit price basis, in accordance with specifications issued by the City Engineer and Vendor's Tender for the total sum of \$18,339.00

Note: Only tender received.

(2) REINHARDT MASONRY LTD., Cambridge, Ontario

- Re: Engineering Department -

Contract No. E-78-27(LM) Hamilton Central Library and Farmers Market, Bid Package #18, Masonry, on a unit price basis, in accordance with specifications issued by the City Engineer and Vendor's Tender for the total sum of \$103,740.00

Note: Lowest of 3 tenders.

(3) S. W. FLEMING & CO. LTD., Scarborough, Ontario

- Re: Engineering Department -

Contract No. E-78-28(LM) Hamilton Central Library and Farmers Market, Bid Package #19, Hollow Metal, on a unit price basis, in accordance with specifications issued by the City Engineer and Vendor's Tender for the total sum of \$45,996.00

Note: Lowest of 2 tenders.

(4) KENT TILE & MARBLE CO. LTD., Hamilton, Ontario

- Re: Engineering Department -

Contract No. E-78-40(LM) Hamilton Central Library and Farmers Market, Bid Package #28, Tile Pavers, on a unit price basis, in accordance with specifications issued by the City Engineer and Vendor's Tender for the total sum of \$65,900.00

Note: Lowest of 4 tenders.

(5) PRICE TRI-TILE LTD., Toronto, Ontario

- Re: Engineering Department -

Contract No. E-78-35(LM) Hamilton Central Library and Farmers Market,
Bid Package #27, Coffered Ceiling, on a unit price basis, in
accordance with specifications issued by the City Engineer and Vendor's
Tender for the total sum of \$53,040.00

Note: Lowest of 6 tenders.

(6) R. H. WAKEFORD ENTERPRISES LTD., Burlington, Ontario

- Re: Engineering Department -

Contract No. E-78-33(LM) Hamilton Central Library and Farmers Market,
Bid Package #25, Overhead Doors, on a unit price basis, in accordance
with specifications issued by the City Engineer and Vendor's Tender
for the total sum of \$18,632.00

Note: Lowest of 2 tenders.

(7) HARRISON GLASS & MIRROR CO. LTD., Mississauga, Ontario

- Re: Engineering Department -

Contract No. E-78-32(LM) Hamilton Central Library and Farmers Market,
Bid Package #24, Interior Glazing, on a unit price basis, in
accordance with specifications issued by the City Engineer and Vendor's
Tender for the total sum of \$49,295.00

Note: Lowest of 2 tenders.

(8) AVENUE STRUCTURES, Rexdale, Ontario

- Re: Engineering Department -

Contract No. E-78-30(LM) Hamilton Central Library and Farmers Market,
Bid Package #22, Tunnel-Slab on Grade, on a unit price basis, in
accordance with specifications issued by the City Engineer and
Vendor's Tender for the total sum of \$238,144.00

Note: Lowest of 2 tenders.

(9) BEVERLY WEATHERSTRIP CO. LTD., Waterdown, Ontario

- Re: Engineering Department -

Contract No. E-78-48(LM) Hamilton Central Library and Farmers Market,
Bid Package #38, Miscellaneous Caulking, on a unit price basis, in
accordance with specifications issued by the City Engineer and
Vendor's Tender for the total sum of \$ 5,470.00

Note: Lowest of 3 tenders.

(10) ONTARIO WASHROOM EQUIPMENT CO., Cambridge, Ontario

- Re: Engineering Department -

Contract No. E-78-46B, Hamilton Central Library and Farmers Market,
Bid Package #36B, Toilet Compartments, on a unit price basis, in
accordance with specifications issued by the City Engineer and Vendor's
Tender for the total sum of \$11,713.00

Note: Lowest of 2 tenders.

(11) AVENUE STRUCTURES, Rexdale, Ontario

- Re: Engineering Department -

Contract No. E-78-47(LM) Hamilton Central Library and Farmers Market,
Bid Package #37, Miscellaneous Concrete, on a unit price basis, in
accordance with specifications issued by the City Engineer and Vendor's
Tender for the total sum of \$158,031.00

Note: Only tender received.

(12) ARCHITECTURAL SCHOOL PRODUCTS LTD., Mississauga, Ontario

- Re: Engineering Department -

Contract No. E-78-46F Hamilton Central Library and Farmers Market,
Bid Package #36F, Chalkboards and Tackboards, on a unit price basis,
in accordance with specifications issued by the City Engineer and
Vendor's Tender for the total sum of \$ 1,950.00

Note: Only tender received.

(13) R. H. WAKEFORD ENTERPRISES LTD., Burlington, Ontario

- Re: Engineering Department -

Contract No. E-78-46D Hamilton Central Library and Farmers Market,
Bid Package #36D, Rolling Metal Grilles, on a unit price basis, in
accordance with specifications issued by the City Engineer and
Vendor's Tender for the total sum of \$29,951.00

Note: Only tender received.

(14) ARPRO CONSTRUCTION & INDUSTRIAL CORP., Islington, Ontario

- Re: Engineering Department -

Contract No. E-78-46C Hamilton Central Library and Farmers Market,
Bid Package #36C, Folding Partitions, on a unit price basis, in
accordance with specifications issued by the City Engineer and
Vendor's Tender for the total sum of \$16,500.00

Note: Only tender received.

(15) JOHN EWING & CO. LTD., Agincourt, Ontario

- Re: Engineering Department -

Contract No. E-78-46A Hamilton Central Library and Farmers Market,
Bid Package #36A, Flagpole, on a unit price basis, in accordance
with specifications issued by the City Engineer and Vendor's Tender
for the total sum of \$ 1,320.00

Note: Only tender received.

(16) HARM SCHILTHUIS & SONS LTD., Ancaster, Ontario

- Re: Engineering Department -

Contract No. E-78-43(LM) Hamilton Central Library and Farmers Market,
Bid Package #33, Hollow Metal Doors, Cabinet Work, on a unit price
basis, in accordance with specifications issued by the City Engineer
and Vendor's Tender for the total sum of \$94,873.00

Note: Lowest of 3 tenders.

(17) NATIONAL MILLWORK CO. LTD., Burlington, Ontario

- Re: Engineering Department -

Contract No. E-78-42(LM) Hamilton Central Library and Farmers Market, Bid Package #32, Prefinished Cabinet Work, Millwork and Wood, on a unit price basis, in accordance with specifications issued by the City Engineer and Vendor's Tender for the total sum of \$193,865.00

Note: Lowest of 3 tenders.

(18) DUPONT PAINTING CONTRACTING LTD., Toronto, Ontario

- Re: Engineering Department -

Contract No. E-78-41(LM) Hamilton Central Library and Farmers Market, Bid Package #29, Painting Wall Fabric, Sandblasting, on a unit price

basis, in accordance with specifications issued by the City Engineer and Vendor's Tender for the total sum of \$108,960.00

Note: Lowest of 3 tenders.

(19) P. J. DALY PLASTERING CONTRACTING LTD., Hannon, Ontario

- Re: Engineering Department -

Contract No. E-78-34(LM) Hamilton Central Library and Farmers Market, Bid Package #26, Lathing Plastering Drywall, on a unit price basis, in accordance with specifications issued by the City Engineer and Vendor's Tender for the total sum of \$233,000.00

Note: Lowest of 2 tenders.

(20) FERRINGTON FABRICATORS LTD., Hamilton, Ontario

- Re: Engineering Department -

Contract No. E-78-29(LM) Hamilton Central Library and Farmers Market, Bid Package #21, Misc. Metal Work, on a unit price basis, in accordance with specifications issued by the City Engineer and Vendor's Tender for the total sum of \$224,000.00

Note: Lowest of 3 tenders.

(21) WILKINSON & KOMPASS, Hamilton, Ontario

- Re: Engineering Department -

Contract No. E-78-39(LM) Hamilton Central Library and Farmers Market, Bid Package # 20, Finishing Hardware, on a unit price basis, in accordance with specifications issued by the City Engineer and Vendor's Tender for the total sum of \$ 44,519.00

Note: Lowest of 3 tenders.

(22) PERFECTION RUG CO., Willowdale, Ontario

- Re: Engineering Department -

Contract No. E-78-44(LM) Hamilton Central Library and Farmers Market, Bid Package #34, Carpeting, on a unit price basis, in accordance with specifications issued by the City Engineer and Vendor's Tender for the total sum of \$216,645.00

Note: Lowest of 3 tenders.

A.5

(23)

WESTEEL-ROSCO LTD., Toronto, Ontario

- Re: Engineering Department -

Contract No. E-78-38(LM) Hamilton Central Library and Farmers Market,
Bid Package #14, Metal Wall Panel, on a unit price basis, in accordance
with specifications issued by the City Engineer and Vendor's Tender
for the total sum of \$71,783.00

Note: Lowest of 3 tenders.

6. That Sub-section (h) of Section 49 of the Rules of Order be
suspended for this meeting in order to permit consideration of
the following additional recommendations of the Board of Control.
7. Approval of the action of the Board of Control in awarding the
following contracts and purchases:-

(1)

RIDDELL SHEET METAL & ROOFING LTD., Hamilton, Ontario

- Re: Engineering Department -

Contract No. E-78-14(LM) Hamilton Central Library and Farmers Market,
Bid Package #13, Roofing, on a unit price basis, in accordance with
specifications issued by the City Engineer and Vendor's Tender for
the total sum of \$209,770.00

Note: Lowest of 5 tenders.

(2)

SENTINEL ALUMINUM PRODUCTS CO. LTD., Don Mills, Ontario

- Re: Engineering Department -

Contract No. E-78-25(LM) Hamilton Central Library and Farmers Market,
Bid Package #15, Aluminum Windows & Doors, on a unit price basis,
in accordance with specifications issued by the City Engineer and
Vendor's Tender for the total sum of \$798,213.00

Note: Lowest of 3 tenders.

(3)

DEMIK CONSTRUCTION LTD., Hamilton, Ontario

- Re: Fire Department -

Contract No. 7714 Simulated Fire & Rescue Complex, Stone Church Road,
on a unit price basis, in accordance with specifications issued by
Victor P. Pala and Vendor's Tender for the total sum of \$527,700.00

Note: Lowest of 3 tenders.

8. That the application of Hamilton Property Management Limited on behalf of the Wentworth Condominium Corporation No. 20 for permission to encroach with fill on City lands which are adjacent to their lands at 100 Quigley Road in order to repair the erosion that is occurring at this site and to stabilize the slope be approved subject to the following conditions:

- (i) That the applicant obtain the written approval of the Hamilton Regional Conservation Authority for the proposed work.
- (ii) That the work be done to the satisfaction of the City Engineer.
- (iii) That the slope and filled area be revegetated to the satisfaction of the City Arborist.

RESPECTFULLY SUBMITTED

JOHN A. MACDONALD, MAYOR,
CHAIRMAN, BOARD OF CONTROL.

J. R. Jones, Secretary,
November 29, 1978.

BY-LAW NO. 78-

TO CONFIRM PROCEEDINGS OF THE COUNCIL OF THE CORPORATION OF THE CITY OF HAMILTON AT ITS MEETING HELD ON THE 29TH DAY OF NOVEMBER A. D., 1978.

WHEREAS by Section 9 of the Municipal Act, being Chapter 284 of the Revised Statutes of Ontario, 1970, the powers of a municipal corporation are to be exercised by its Council;

AND WHEREAS by Subsection 1 of Section 241 of The Municipal Act, being Chapter 284 of the Revised Statutes of Ontario, 1970, the powers of every Council are to be exercised by by-law;

AND WHEREAS it is deemed expedient that the proceedings of the Council of The Corporation of the City of Hamilton at this meeting be confirmed and adopted by by-law.

NOW THEREFORE the Council of The Corporation of the City of Hamilton enacts as follows:-

1. The action of the Council of The Corporation of the City of Hamilton in respect to each recommendation contained in the Report/Reports of the Board of Control and in the Reports of the Committees and of the local Boards and Commissions and each motion and resolution passed and other action taken by the Council of The Corporation of the City of Hamilton at this meeting is hereby adopted and confirmed as if all such proceedings were expressly in this by-law.
2. The Mayor and the proper officials of The Corporation of the City of Hamilton are hereby authorized and directed to do all things necessary to give effect to the action of the Council of The Corporation of the City of Hamilton referred to in the preceding section hereof.
3. The Mayor, or in the absence of the Mayor, the Vice-Chairman of the Board of Control and the City Clerk, or in the absence of the City Clerk, the Deputy City Clerk, are authorized and directed to execute all documents necessary in that behalf and to affix thereto the seal of The Corporation of the City of Hamilton.

PASSED this day of A. D., 1978.

City Clerk

Mayor



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THE CITY OF HAMILTON
REFER TO FILE

ATTENTION OF

THE CORPORATION OF THE CITY OF HAMILTON

DEPARTMENT OF BUILDINGS

HAMILTON, ONTARIO

November 29, 1978

To: Mr. J. R. Jones, Secretary
Board of Control

De: Mr. P. Kuppe, P. Eng.
Building Commissioner

Re: HAMILTON CENTRAL LIBRARY AND FARMERS MARKET

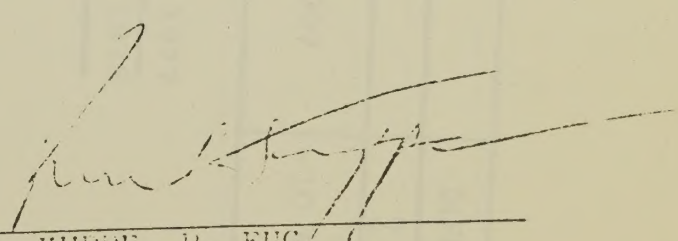
This is with reference to the Board's directive of November 17, 1978 which was accompanied with information on bid packages 1 to 7 inclusive, 9, 11, 13, 15 and 16. The balance of bid packages were a part of a separate volume of material received on 28 November 1978.

In the limited time available we have concentrated our efforts only on bid packages where the cost escalation over estimates has been greater than 25% or \$100,000.

This Department's relationship with the project architects was by virtue of ensuring compliance with building code regulations. Our interaction has been very good from the preliminary design stage through to the permit issue stages. In large projects of such nature close liaison is maintained with design professionals on code matters and we are happy to advise that all material building code issues on this project were resolved between the parties prior to January, 1978.

I trust the attached schedules are of some assistance to you.

HMH


P. KUPPE, P. ENG.

HAMILTON LIBRARY PROJECT

BID PKG.	DESCRIPTION	APPROVED ESTIMATE		REVISED TENDER		DIFFERENCE		BID PKG.
		DATE	AMOUNT	DATE	AMOUNT	%	AMOUNT	
#5 & #6	MECHANICAL & ELECTRICAL	Nov/77	\$3,442,000	July/78	\$3,778,207	+10 %	\$336,207	#5 & #6

ESTIMATE PREPARED BY : COMSTOCK INTERNATIONAL LTD.
SUCCESFUL BIDDER : COODRAM BROS. LTD. (B.P. #5)
COMSTOCK INTERNATIONAL LTD. (B.P. #6)

DATE : June, 1977
DATE : July, 1978

COMMENTS :

1. Changed a water storage reservoir to a heat pump system.
Environment control unit and halon fire extinguishing system added to special collection area.
The Architect was advised by Dec./77 of the design require-
ments of the sprinkler systems as per N.F.P. A. Standards.
The additional sprinklers protection to windows facing
east and south was originally outlined in the fire
consultant's report -Sept. 22/77 (Rolf Jensen & Ass. Ltd.)
The Architect was advised by Dec./77 smoke exhaust fans
are required to be provided over the atrium area.

FURTHER INFORMATION REQUIRED :

1. Details of revisions of sprinkler system.
2. Cost comparison between water storage reservoir and a heat pump system.
3. Reasons of relocation of air handling unit from market ceiling space to plaza mechanical room.

HAMILTON LIBRARY PROJECT

BID PKG.	DESCRIPTION	APPROVED ESTIMATE		REVISED TENDER		DIFFERENCE		BID PKG.
		DATE	AMOUNT	DATE	AMOUNT	%	AMOUNT	
#9	Superstructure	Nov./77	\$2,100,000	June 1978	\$2,455,000	+17%	\$355,000	#9
#11	Structural Steel							#11

PIGOTT/AVENUE/STRUCTURAL

ESTIMATE PREPARED BY : GILBERT/CENTRAL

SUCCESSFUL BIDDER : AVENUE STRUCTURES

DATE : Nov./1977

DATE : June/1978

COMMENTS :

1. Roof structure over Farmers Market changed from structural steel to reinforced concrete for fire protection purposes.
Mechanical Tower redesigned to accommodate equipment. Also additional well room added beside Stair No. 2 (from plaza level up to 3rd floor).
Framing structures for additional escalator No. 2.

FURTHER INFORMATION REQUIRED :

1. Status of proposed \$33,795 credit due to rebar redesign.
2. Method of updating "approved estimates" as design changes are made.

HAMILTON LIBRARY PROJECT

BID PKG.	DESCRIPTION	APPROVED ESTIMATE		REVISED TENDER		DIFFERENCE		BID PKG.
		DATE	AMOUNT	DATE	AMOUNT	%	AMOUNT	
#13	Roofing	Nov./77	\$115.000	Sept/78	\$197,135.	+71%	\$82,135.	#13

ESTIMATE PREPARED BY :
SUCCESFUL BIDDER :

RIDDEL SHEET METALL.
RIDDELL SHEET METAL

DATE : OCT./77
DATE : SEPT./78

COMMENTS :

1. Piggotts Approved. Estimate was based on previous roof design use for Police Administration Building as specifications for Library project were not available.
Roof specifications for Library Project were upgraded presumably to conserve energy. This contributed to higher unit cost.
Increased unit costs can also be attributed to number of separate roofs (15) on building.
Budget included only 3 large + 49 small "skylights", whereas specifications included 55 "skydomes".

FURTHER INFORMATION REQUIRED :

- Reason for increase in area of roof and number of levels between estimates and final design.
- Anticipated annual maintenance and operating cost savings due to improved roof design.
- Asphalt material cost escalation as a percentage of per sq. ft. unit costs of roof.
- Difference in unit costs between "skylights" and "skydomes".

HAMILTON LIBRARY PROJECT

BID PKG.	DESCRIPTION	APPROVED ESTIMATE		REVISED TENDER		DIFFERENCE		BID PKG.
		DATE	AMOUNT	DATE	AMOUNT	%	AMOUNT	
#15 & #16	Aluminum windows and doors. Entrances.	Nov./77	\$441,000	Aug./78	\$722,075	+64%	\$280,075	#15 & #16

ESTIMATE PREPARED BY : SENTINEL ALUMINUM

SUCCESSFUL BIDDER : SENTINEL ALUMINUM

DATE : Sept./77

DATE : Aug./78

COMMENTS :

1. Louvers were not specifically identified as having been included in the original budget.
The cost of sunscreens was omitted on the original estimates.
At the time of preparation of the original budget, the detailed requirements for all entrance doors were not available.

The Architect was advised by Dec./77 that steel framing was required in the windows on the east elevation.

FURTHER INFORMATION REQUIRED :

1. Cost benefit analysis of energy saving devices including sun screens.
2. Reason for change of specifications from "Sentinel 3875 Series" Aluminum frames specified in "preliminary specs".
3. Details of concordance between preliminary design and contract specifications.

HAMILTON LIBRARY PROJECT

BID PKG.	DESCRIPTION	APPROVED ESTIMATE		REVISED TENDER		DIFFERENCE		BID PKG.
		DATE	AMOUNT	DATE	AMOUNT	%	AMOUNT	
#10 & #11	MISC. & METAL WORK	Nov/77	\$172,000	Nov/78	\$224,000	+30%	\$52,000	#10 & #21

ESTIMATE PREPARED BY : CENTRAL STEEL DATE : Nov/77
SUCCESSFUL BIDDER : FERRINGTON FABRICATORS DATE : Nov/78

COMMENTS :

1. Exit stair now of steel construction, transfer from
B.P. #9.

FURTHER INFORMATION REQUIRED :

1. Details of cost increases not available at this
time.

HAMILTON LIBRARY PROJECT

BID PKG.	DESCRIPTION	APPROVED ESTIMATE		REVISED TENDER		DIFFERENCE		BID PKG.
		DATE	AMOUNT	DATE	AMOUNT	%	AMOUNT	
1	INTERIOR GLAZING	Nov/77	\$15,000	Nov/78	\$49,295	+229%	\$34,295	#24

ESTIMATE PREPARED BY : SENTINEL ALUMINUM
SUCCESSFUL BIDDER : HARRISON GLASS

DATE : Nov/77
DATE : Nov/78

COMMENTS :

1. The Architect claims that there is no change in scope

FURTHER INFORMATION REQUIRED :

1. Details of cost increase not available at this time.

HAMILTON LIBRARY PROJECT

BID PKG.	DESCRIPTION	APPROVED ESTIMATE		REVISED TENDER		DIFFERENCE		BID PKG.
		DATE	AMOUNT	DATE	AMOUNT	%	AMOUNT	
#26	PLASTERING & DRYWALL	Nov/77	\$160,000	Nov/78	\$233,000	+46%	\$73,000	#26

ESTIMATE PREPARED BY : PJ DALY PLASTERING

DATE : Nov/77

SUCCESSFUL BIDDER : PJ DALY PLASTERING

DATE : Nov/78

COMMENTS :

- The change in scope has been identified by Architect as follows:
- partitions for approximately 6 offices.
 - increase in bulkheads.

FURTHER INFORMATION REQUIRED :

Quantities and unit prices used in original estimate.

HAMILTON LIBRARY PROJECT

BID PKG.	DESCRIPTION	APPROVED ESTIMATE		REVISED TENDER		DIFFERENCE		BID PKG.
		DATE	AMOUNT	DATE	AMOUNT	%	AMOUNT	
	Hollow Metal Doors	Nov. 1977	\$ 48,000	Nov. 1978	\$ 94,873	+ 98%	\$ 46,873	# 31

ESTIMATE PREPARED BY : National Milwork

SUCCESSFUL BIDDER : Harm Schilthuis and Son

DATE : November 1977

DATE : November 1978

COMMENTS : 1. This BP deals with the installation of manufactured specialties + HM Doors and frames.

2. Scope of work has increased.

FURTHER INFORMATION REQUIRED :

Quantities and unit prices used in preparation of estimate.

HAMILTON LIBRARY PROJECT

BID PKG.	DESCRIPTION	APPROVED ESTIMATE		REVISED TENDER		DIFFERENCE		BID PKG.
		DATE	AMOUNT	DATE	AMOUNT	%	AMOUNT	
#1	REFINISHED CABINET WORK	Nov/77	\$55,000	Nov/78	\$193,865	+252%	\$138,865	

ESTIMATE PREPARED BY : NATIONAL MILLWORK CO. LTD.
SUCCESSFUL BIDDER : NATIONAL MILLWORK CO. LTD.

DATE : Nov/77
DATE : Nov/78

COMMENTS :

- Increase in scope of work identified by Architect as:
- a) Number of wood doors increased.
 - b) Wood partitions transferred from bid package #23.
 - c) Part of ceiling grid transferred from B.P. #21.

FURTHER INFORMATION REQUIRED :

Quantities and unit prices used in original estimate.

HAMILTON LIBRARY PROJECT

BID PKG.	DESCRIPTION	APPROVED ESTIMATE		REVISED TENDER		DIFFERENCE		BID PKG.
		DATE	AMOUNT	DATE	AMOUNT	%	AMOUNT	
37	Miscellaneous Concrete	Nov. '77	\$ 48,000	Nov. '78	\$ 158,031	+ 229 %	\$ 110,031	# 37

ESTIMATE PREPARED BY : Pigott Structures DATE : Nov. 1977
SUCCESFUL BIDDER : Avenue Structures DATE : Nov. 1978

COMMENTS : Increase in scope identified by architect
as lightweight concrete fill for roof areas.

FURTHER INFORMATION REQUIRED : Quantity+unit prices of
lightweight concrete.

Cheapie library fear ends cost cutting

By DOUGLAS FOLEY
Spectator Staff

COUNCIL rallied to the defence of Hamilton's library-market last night by turning down cost cutting proposals they feared would cheapen the building.

Although Hamilton council agreed to cut more than \$215,000 from the library construction budget, further proposed cuts totalling \$76,800 were rejected by a large majority.

The city will seek Ontario Municipal Board approval to spend another \$472,000 on the project bringing the final total budget to \$11.7 million, about \$1.2 million more than the original budget set in 1975. The city received OMB approval for an additional outlay of \$750,000 last summer.

The library defence move was led by Alderman Bill McCulloch who urged council during the sometimes noisy two hour special session of council not to "nickle and dime" the building to death.

He said he originally proposed halting construction because of problems encountered early in the project but was urging council members not to scrimp now that the building is underway.

"You can save \$3,500 by taking out staff washrooms but are you really doing the tax payers a favor or are you doing the the efficiency of the library harm," he asked.

Leave intact

"Are we doing our jobs or are we panicking about this? Are we being a little foolish by cutting these things out? Ask yourself over 25 to 30 years if you are really doing anyone a

favor," he said. "The special books, a system whereby the room would seal itself air-tight and a gas would be released to smother any fire.

Controllers Bob Morrow and Jim Bethune and alderman Reg Wheeler voted to delete all the items related to the library. Controller Pat Valeriano also voted against the staff washrooms and landscaping. Alderman Don Gray voted against the escalator and the landscaping. Alderman Ed Fisher also opposed the staff washrooms.

A number of council members said they were not suprised that the project had run over budget since the original total was set

more than three years ago.

Project architect Anthony Butler said the library could have finished on target but problems related to the contract form to be used for work packages and labor strikes delayed it.

He added that increased costs for building products, higher union wage settlements and inflation created further problems.

He said the final budget accepted by council represented a cost of slightly more than \$50 a square foot and that figure compared favorably to other major projects in other cities.

THE SPECTATOR, THURSDAY,
NOVEMBER 30, 1978

615 KING ST.
STURGESS CY
HONDA
You're ahead on a


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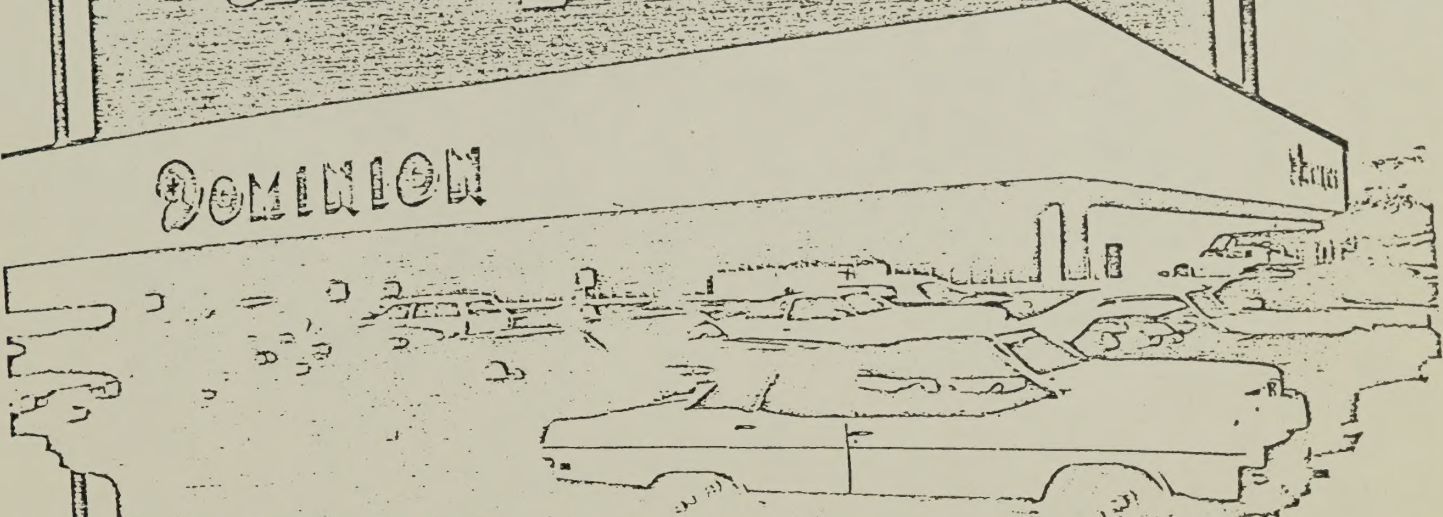
City Magazine *extra*

January 1979

Vol. 4, No.1 \$1.50

The rise of the supermarket

DOMINION



Winnipeg land deals Behind Ontario rent review

Also: Eviction fight in Vancouver
The day John Sewell knew he'd won
Hamilton vs. contractors

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K A ROUFF
CITY SOLICITOR
CITY HALL
HAMILTON ONT LCN 314

CITY AND COUNTY OF LOS ANGELES

THE OFFICIAL RECORD

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HAMILTON

Contractors bully city

When Hamilton City Council decided to use the Project Management System for constructing the library-farmers' market complex (the latest addition to the downtown Civic Square), the apparent advantage was supposed to be that work could begin on the project before the plans and drawings were completed. However, the client, in this case the City of Hamilton, is responsible for tendering all the various phases of the project and in the case of the library-market there are some 41 contracts involved. If the supposed advantage of the management system over a general contractor is that it is faster and cheaper, this has been far from the case in this project. To date it is running \$750,123 over budget, and at the present time only the foundations have been excavated.

The city decided to use the management system primarily on the advice of its own engineer, Bill Phillips, and the architect retained to design the project, Anthony Butler. Once city hall had agreed, Pigott Structures Limited, a wholly-owned subsidiary of Pigott Construction, was selected to oversee the construction of the library-market project. The management committee appointed by the city became Phillips, the city engineer, Butler, the architect, and J. Neilson, a vice-president of Pigott Structures.

The first major problem that the project encountered was a dispute over the contract forms. The first set of forms were drawn up by professional associations representing architects and contractors and recommended to the city by Anthony Butler. These forms were unacceptable to the city solicitor, Ken Rouff, because of the strong protections for the contractors and the absence of safeguards for the city. Among other things, the contract forms contained no clauses holding the builders responsible for any latent defects which might be discovered in the construction of the building after the warranty (of two years) runs out, nor for seeing that the workmanship required by the specifications was in keeping with the building code.

Council readily accepted Rouff's recommendations that these two clauses be inserted in the contract because of the city's bitter past experience with other major buildings which showed serious defects soon after they were completed — among them, the present city hall. Built in the early 1960's by Pigott Construction, the same company now involved with the library-market, the new city hall began falling apart while still under construction. Marble slabs,

each weighing 450 pounds, which cover the exterior of the building, began falling shortly after construction began, and continued falling for the next ten years. The roof leaked so badly that when it rained, buckets had to be placed in the council chamber to catch the water.

In a judicial inquiry held in 1971 to discern responsibility for the enormous problems with the city hall, Pigott blamed the architect, Stanley Roscoe for improper specifications, but Judge Theo McCombs decided that the general contractor was at fault. Despite this finding, the city still had to pay for Pigott's mistakes and the Hamilton taxpayers footed the entire repair bill which amounted to some \$1 million. Understandably, council did not want to suffer yet again for faulty workmanship, so the city felt it was necessary to have safeguards built right into the contract.

Predictably enough, the potential bidders on the project were not happy with the city's changes to the contract form. At a council meeting in February, 1978, W.P. Cooper of Cooper Construction Company spoke on behalf of ten representatives of the local construction industry, arguing against the clauses inserted by Ken Rouff. Cooper bluntly told council that there would be no bids on the project if the amendments remained.

Even more predictably, Mayor MacDonald was in full support of the businessmen's point of view and he made several interruptions when Rouff tried to explain his reasons for recommending to council that the new clauses be adopted. The mayor told council that he too had been told that there might well be no bidding on the project if the clauses remained. He took up the cause of the contractors so zealously that Alderman Bill McCulloch was moved to ask if MacDonald was also acting as a spokesman for them. The mayor is himself a plumbing contractor.

In spite of such obvious intimidation by the contractors and the mayor, council held firm on the contract forms. Rouff sent the amended contract to the architect in early March with several changes in it to protect the city. Butler returned the contract three weeks later, late on a Thursday afternoon, with instructions to Rouff that the contract be approved by the following Monday. All of Rouff's amendments had been deleted and the solicitor had one working day to figure that out and make other changes.

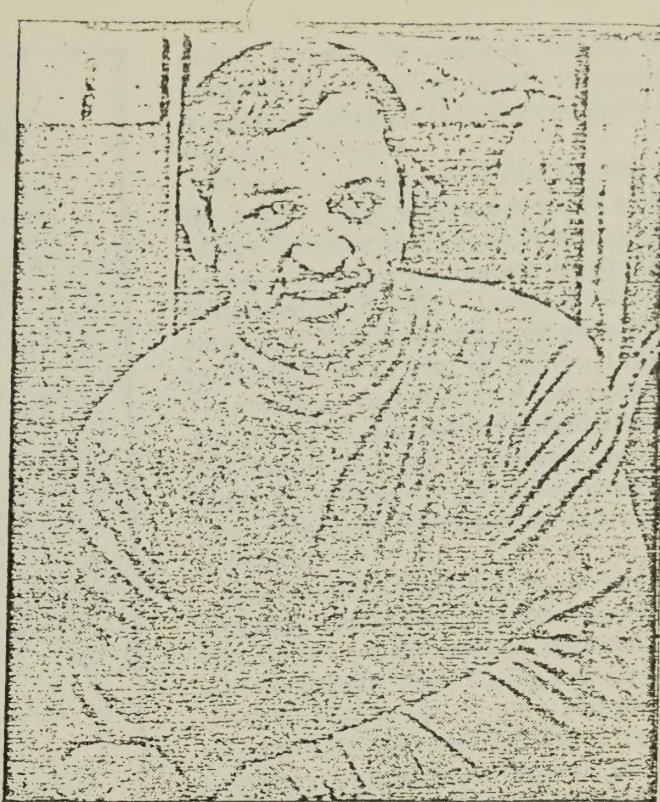
Pressure on council to drop the protective clauses intensified. Board of Control received a letter dated March 6, 1978 from the management committee warning that if the amendments or "General Conditions" approved by city council to the contract remained, prices would be driven up or bids might in fact fail to appear. Phillips, Butler and Neilson wrote that "we must record our extreme concern of the effects that the changes made by city council, to the recommended wording of the General Conditions, will have on the tendering process for all of the remaining bid packages, the established schedule and

the final cost of the project. We're concerned that the revisions to the general conditions could lead to severely reduced competition, inflated prices and/or qualified tenders." They added that if the contract changes remained "we cannot be responsible for any delays attributed thereto nor can we be responsible to keep this project within the approved estimate."

Given these sorts of threats from its own management committee it is easy to see the impossible situation in which council was placed. The business groups painted city council as alienating all the local construction firms to the point where they would probably not bid at all, or if they did the bids would be so high as to drive the project well over budget, thus increasing the burden on the taxpayers. If council were to seek outside firms to do the job, as several aldermen suggested, then local industry would suffer. Finally, council was accused of endangering the whole project before the foundations were even laid. Certainly Hamilton was in sore need of a new library; the main library was built prior to the first World War and was no longer adequate. In spite of all these pressures, council held out against the contractors — for the moment, that is.

The local construction firms were as good as their word. A few days later, no bids were received for the \$200,000 second stage. In a clear show of power, the large local contractors such as Cooper, Frid and James Kempt Construction took out bid packages on the work but held back from actually bidding. At a March 13 council meeting, James Barclay, president of the Hamilton Construction Association told council on behalf of the other city contractors that delays would only raise prices on the project. He also warned that the project might have to be abandoned altogether as long as the amendments to the contract remained. Said Barclay: "I would like to guarantee if (the forms changed) the city would get seven to eight legitimate bids for the project" (*The Spectator*, March 14, 1978). He went on to refer to any suggestions that the contractors were in collusion with each other in their failure to bid as "absolute balderdash". Controller Pat Valeriano, Aldermen Henry Merling, Kay Drage and Bill McCulloch called the companies' action a "gang-up" against the city.

In a dispute of this sort, one of the problems of the Project Management System quickly emerges: since the work is done in stages and individually bid upon, the absence of bids on one stage of the work can hold up the entire operation, and consequently costs will rise. When suggestions came from council to abandon the system in favour of retaining a general contractor, Board of Control received another letter from the management committee, dated March 15, recommending keeping with the present system. The letter carefully detailed that if council decided to scrap the management system there would be escalating costs due to a 33-week delay (an *estimated* time period), not to mention possible court action from Pigott Structures, the construction manager,



City solicitor Ken Rouff

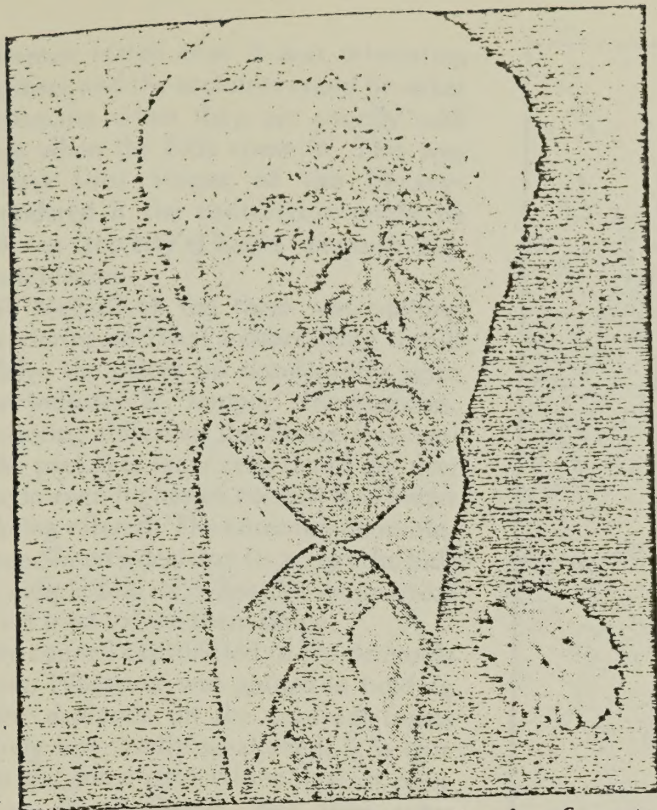
Photo: Hamilton Spectator

for cancellation of its contract. The management committee offered no hard documentation to support its claims.

The Hamilton fight with the local contractors was preceded in a similar fight between Toronto city council and the Canadian Construction Association and the Ontario Association of General Contractors in 1961 over the \$30 million new city hall. In the Toronto dispute, the city was faced with the same contract forms as were being foisted on Hamilton. Contractors took out bid packages but made no bids; the Hamilton firm of Pigott Construction Company was one contractor involved. Only one company from outside of Toronto agreed to take the contract under the city's forms and that company got the job. Apparently, Toronto still uses its own forms and the issue has not surfaced since 1961.

While council was fighting the contractors and the recommendations of its own management committee, Board of Control, with the exception of Pat Valeriano, was passing resolutions that the city adopt the contractors' forms. Finally a compromise was reached that virtually gave the city the protections it had been seeking from the very beginning. After six weeks of battle, the new contract forms pushed by the contractors and the architect were abandoned and both the city and the business groups accepted the old standard contract forms always used by the city.

Although these forms don't specifically contain the "latent defects" clause, the forms accepted by the contractors do allow the city to claim damages under Common Law that might show up after the warran-



Mayor Jack Macdonald.

Photo: Hamilton Spectator

ty. This "compromise" was a clear victory for the city in that the contractors would now have to deal with the city on its terms, rather than their own.

The firms weren't happy about the outcome of their battle with council but they said they could "live with" the forms. Anthony Butler, the architect, was most bitter: "This demonstrates why everything municipalities end up doing is second class. It's always a compromise." (*The Spectator*, March 21, 1978)

The victory won by council was not only short-lived, it was almost completely reversed. By mid-July, bids began to appear on the library-market that were, in Controller Valeriano's words "11 to 65 per cent higher" than the estimated costs. Valeriano was particularly struck by the bidding pattern of one company, Saltfleet Construction Ltd., whose bids on two of the early stages of the project were under the estimate in one case and very slightly over in the other. When Saltfleet bid on the ninth package, however, its bid was the highest of four companies at \$3,480,332 on an estimate of \$2,092,000, or \$1.3 million over the projected figure. According to Valeriano, there was something "not normal" in this sort of shift.

Valeriano recommended that the city wait thirty days and retender in the hopes that the companies would bring their bids down. To this suggestion Mayor Jack MacDonald rejoined, in a lengthy speech to council fully supporting the bids offered, that such an action would undermine the "integrity" of council as "an agent with which to do business." Moreover, retendering the bids would undermine the entire ten-

dering process, he claimed, adding that if council adopted this course of action, competition would be threatened, because then the companies would know the city's estimates.

When it was suggested that the city should advertise more widely, and perhaps seek a contractor from somewhere else in Canada, the mayor declared that "every company competent to do the work from Winnipeg to Halifax" knew of the library-market project in Hamilton and they were probably not offering bids because of the contract form being used. He produced no letters or documentation from other companies to support his speculations and it is also significant that his arguments were moral ones. There is nothing illegal about tendering a contract when the bids received are so extremely above estimates.

MacDonald's final argument was the one which probably convinced the majority of councilmen to vote to accept the bids as opposed to retendering; said the mayor "there's a big hole over there and tons of reinforcing steel . . . we are already committed to go with it." Controller Ian Stout maintained that he had been opposed from the start to "a palace for the printed word", but that council had two choices — go ahead with the bids received or scrap the whole project. Given his views on literacy he might well have been just as happy to take the latter course. With the exception of Controller Valeriano and Alderman Bill McCulloch who were the only two who voted against accepting the bids, the tenor of the comments that night were in agreement with MacDonald and Stout.

As soon as the vote was taken and before the end of the meeting, city engineer Bill Phillips and architect Anthony Butler rushed out of the chamber to happily shake hands with and congratulate the businessmen who had attended the meeting. This burst of enthusiasm and self-satisfaction took place in full view of the entire council chamber; alderman McCulloch later commented on the rather blatant manner in which the city employees and the businessmen responded to their victory.

After the meeting some of the city politicians explained why they voted to accept the bids when some of them had been deeply opposed to the contractors on the contract forms and were now suspicious of the high bids. Said alderman Don Gray, "I don't like it but if we wait around and retender it will probably drive the costs up even further. I'll never go for that management system again." One alderman who asked not to be named said he felt the discrepancy between the estimates and the bids was due to the mistakes in calculation on the part of the city engineer. However, it was the architect Anthony Butler and Neilson, the vice president of Pigott Structures, who did the detail work on the estimates and submitted them for approval to the city engineer. It is difficult to imagine all three men, experienced in such matters, being in error at the same time.



Figure 1. A person in a long dress.

The "person" was a woman wearing a long dress. It is a simple drawing, possibly a watermark or a light sketch. The person is standing and looking towards the right. The drawing is simple and appears to be a watermark or a light sketch.

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Another alderman stated that it was interesting that the city engineer and the architect could be so far out on their estimates when they are usually well within the range when the bids come in. This was true in the first four stages of the library-market. He wondered if the contractors might be "trying to break our (the city's) backs" because they lost on the contract forms.

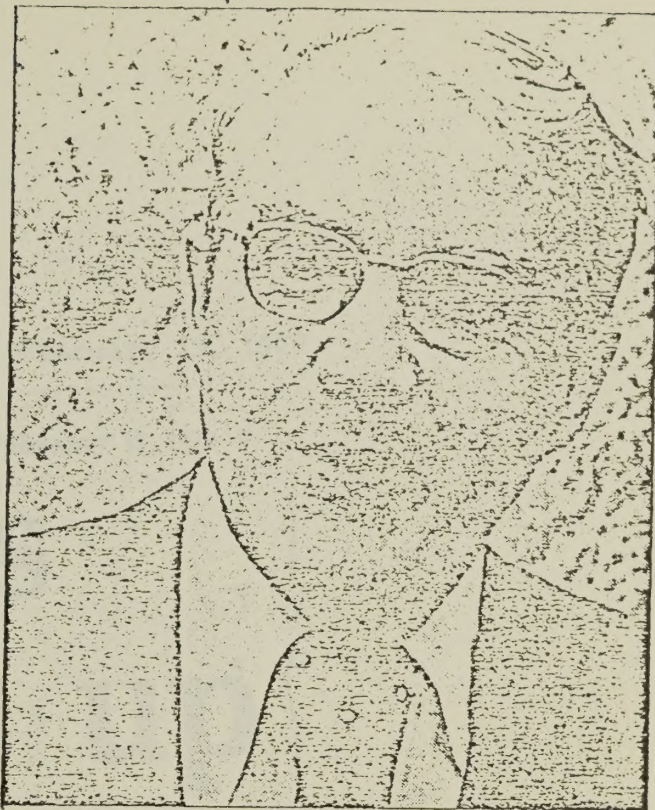
Alderman Bill McCulloch felt there was nothing wrong with retendering and that a short delay would probably not drive the prices up significantly since the construction industry is "hungry" for business. At the July 18 meeting alderman Jim Stowe was concerned that if the packages were retendered the new bids might come in even higher so council had better take what was being offered. The common denominator in many councilmen's decision to accept the bids on July 18 was simple fear of what the contractors might do if council tried to face them down.

In the end, city council capitulated to the demands of the contractors. Whatever was gained in holding firm against their demands on the contract forms was, if not entirely lost, badly weakened. It is true that the city has got some protections against poor workmanship on the building, but then why shouldn't it? In the words of alderman Reg Wheeler, if a builder is competent and does a good job, why shouldn't he be prepared to stand behind his work? The contractors apparently did not agree with Wheeler, judging by the conflict over the contract. In any event, the most important question is, are the contractors making the city literally pay for failing to get the forms they wanted which were so heavily weighted in their favour? If so, the city politicians certainly gave in without a fight.

It is highly significant, or perhaps only of passing interest, given one's point of view on the matter, that the spokesmen for the contractors such as Cooper and Barclay warned early in the year that if the amendments to their forms stood, prices could well soar on the library-market complex or that the project might never be realized. The business representatives, along with the city's management committee, also warned that bids might not materialize. After the city tendered the second stage of the project, bids did not come in for several days.

Perhaps if council had insisted on retendering and held out against the contractors as it did in the dispute on the forms, lower bids might have come in. Given the economic recession and the depressed construction industry at the present time it would be hard for construction companies to pass up an \$11 million job. Council proved to itself that it could successfully hold out against the businessmen and protect the city's interests. But on July 18, 1978 council buckled under pressure and will now pay handsomely for its earlier victory. As always, the people of Hamilton pay the bill. That's Hamilton politics.

Marsha Hewitt



Ald. Bill McCulloch.

Photo: Hamilton Spectator

WINNIPEG

Jets 1, City 0

On the afternoon of September 20 almost all the disc jockeys in Winnipeg were telling their listeners about the gallery seating at city hall; where it was, how to get there — and then urging them to go down right away to make sure that city council made the "right" decision. What was it that turned so many DJ's into civics teachers? Was city council reconsidering its infamous Trizec deal, raising bus prices again or reducing the availability of services? No, the raging issue at Winnipeg city hall this fall was the Winnipeg Jets and whether or not the city should expand the local arena. The Winnipeg Jets were threatening to leave the city if they did not get an additional 5,000 seats.

It should not be said that the Jets were begging the city to subsidize private enterprise. In fact, last spring they offered to finance the expansion on their own — if the city sold them the arena, valued at about \$10 million, for one dollar. For a while the city was considering the construction of a new 20,000 seat arena in the area presently occupied by the east yards of the Canadian National Railways. This proposal was contingent to a large degree on federal and pro-



Figure 1
Percentage of the population
in the United States
in 1950 and 1970

Source: U.S. Census Bureau, Statistical Abstract, 1971.

The first of the two series in Figure 1 is the percentage of the population in the United States in 1950. This series is represented by a solid line. It starts at approximately 10% in 1950, rises to about 25% by 1955, and then fluctuates between 20% and 30% until 1970. The second series is the percentage of the population in the United States in 1970. This series is represented by a dashed line. It starts at approximately 10% in 1950, rises to about 40% by 1955, and then fluctuates between 35% and 45% until 1970.

It is clear from Figure 1 that the percentage of the population in the United States in 1950 was significantly lower than the percentage in 1970. This is due to the fact that the population of the United States grew rapidly during the 1950s and 1960s.

The second of the two series in Figure 1 is the percentage of the population in the United States in 1970. This series is represented by a dashed line. It starts at approximately 10% in 1950, rises to about 40% by 1955, and then fluctuates between 35% and 45% until 1970.

It is clear from Figure 1 that the percentage of the population in the United States in 1970 was significantly higher than the percentage in 1950. This is due to the fact that the population of the United States grew rapidly during the 1950s and 1960s.

The third of the two series in Figure 1 is the percentage of the population in the United States in 1970. This series is represented by a dashed line. It starts at approximately 10% in 1950, rises to about 40% by 1955, and then fluctuates between 35% and 45% until 1970.

It is clear from Figure 1 that the percentage of the population in the United States in 1970 was significantly higher than the percentage in 1950. This is due to the fact that the population of the United States grew rapidly during the 1950s and 1960s.

The fourth of the two series in Figure 1 is the percentage of the population in the United States in 1970. This series is represented by a dashed line. It starts at approximately 10% in 1950, rises to about 40% by 1955, and then fluctuates between 35% and 45% until 1970.

The Spectator, Tuesday, February 13, 1979 7

Documents push costs up says architect

By FLORENCE DIGGINS
Spectator Staff

COSTS FOR the new Sanford Avenue fire station will be from two to 10 per cent over budget because of the city's contract documents, a city architect said yesterday.

William Wall, who is signing the \$850,000 station, told board of control yesterday contractors are threatening to pad their cost estimates with an inflationary factor to cover themselves against stiff requirements on city contracts.

"I find the document incomprehensible," Mr. Wall told the board. "I think some contractors wouldn't even bother to read it."

He warned that some contractors will refused to submit bids on city construction projects because the city's contract documents call for protection clauses that give an illusion of protection.

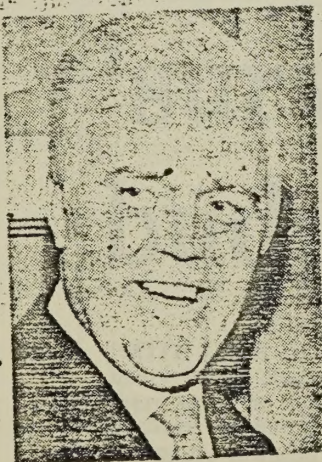
Controller Pat Valeriano said the dispute over contract wording was settled last March when city council took city solicitor Ken Rouff's suggestion to maintain essential guarantees for building quality in contracts.

Expense

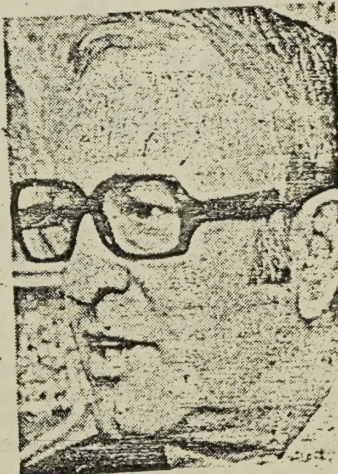
Mr. Valeriano said a two per cent increase in costs would be worth the saving. But he added he was not aware anticipated cost increases could be as high as 10 per cent.

Controller Jim Bethune said different contract documents were used in construction of the regional police headquarters.

"And it was completed under budget estimates," added Mayor Jack MacDonald. "We used the squirrely city documents on the library-market complex. The result is it's going to cost us more."



JACK MACDONALD
'Squirrely'



PAT VALERIANO
'Changes'

Mr. MacDonald said the majority of council supported the city documents "and said damn the expense".

Mr. Valeriano denied that cost increases for the library-market were due to contract wording. "It was the design changes made by the architect without the approval of board of control," Mr. Valeriano said.

The mayor asked Mr. Wall to submit a written report on possible cost increases for the fire station so that the board could take another look at contract wording.

THE NEW YORK TIMES
MAY 15, 1964
Page 1

Documents show costs up says architect

NEW YORK (AP) — Documents released by the Federal Bureau of Investigation show that the cost of the assassination of President John F. Kennedy was \$100,000, says an architect.



DOCUMENT
RELEASED BY FBI



DOCUMENT
RELEASED BY FBI

The documents, which were released by the FBI, show that the cost of the assassination of President John F. Kennedy was \$100,000, says an architect. The documents were released by the FBI in response to a request by the House of Representatives. The documents show that the cost of the assassination was \$100,000, which was paid for by the Central Intelligence Agency. The documents also show that the cost of the assassination was \$100,000, which was paid for by the Central Intelligence Agency.

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Library gets 'survival' budget

"WITH LUCK . . . we should survive," says the city library board chairman of the library's 1979 budget. But there won't be any extension of library services this year because of what Grace Inglis calls a "stay put budget."

"We're grateful for any increase the city could give us but it just keeps pace with the rising costs we're facing," she said Thursday. "We'll just have to put up with it."

She was commenting on the \$4.9 million budget approved by city council for operation of the 10 branch libraries in the city. The library board had requested \$5.6 million but had it trimmed by the city's budget task force and board of control.

The budget is approximately nine per cent more than last year when the libraries spent almost \$4.5 million.

"We anticipate keeping all our staff and branches," said Mrs. Inglis. "There'll be no extension of our services though."

Luck

"With a little luck and some really hard work at efficiency and determining where the services are required, we should survive."

Just over \$4.2 million of the budget comes through a contribution from the city with the province subsidizing the library to the tune of \$552,000. Another \$59,980 is paid through the regional library system for services it buys from the Hamilton public library.

Rentals, fines and subscriptions through the library bring in another \$70,000 in revenue.

About 68 per cent of the budget goes out to salaries for the 208 full time employees.

The amount allotted in the budget for books and supplies remains unchanged from last year at \$492,210.

Mrs. Inglis noted the price of books has increased 100 per cent over the past five years and added the budget will not allow growth in book collections.

The library board is expected to discuss the budget at its next public meeting on April 23.

W.L. PHILLIPS
B.A.Sc., M.E.I.C., P.Eng.
CITY ENGINEER
AND
CO-ORDINATOR
LLOYD D. JACKSON SQUARE



REFER TO FILE NO.

ATTENTION OF

W.L. Phillips

YOUR FILE NO.

THE CORPORATION OF THE CITY OF HAMILTON

DEPARTMENT OF ENGINEERING
CITY HALL, HAMILTON
L8N 3T4

RECEIVED

23 August 1979.

SEP 6 1979

LEARN DEPARTMENT
FOR CORPORATION OF
THE CITY OF HAMILTON

Mr. Chairman and Members,
Board of Control.

Re: Central Library and
Farmers' Market

Members of the Board:

We have carried out a review of this project and particularly
the budget as approved by City Council.

The following is the result of our review:-

Total Value of Contracts Awarded	\$10,912,568.50
Value of Change Orders (Credit)	249,317.37
Net Value of Contracts to Date	\$10,663,251.13
Other Costs	852,244.94
Total Commitments to Date	\$11,515,496.07
Approved Budget	\$11,612,000.00
Surplus or (Deficit)	\$ 96,503.93

The details of this are shown on Schedule 1, attached herewith.

The Construction Manager has advised me that there are
additional costs that we will encounter before the completion
of the project. These costs fall into two categories as
follows:-

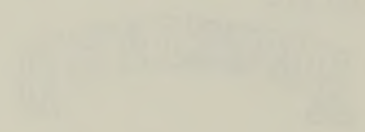
Cont'd.....

CONTRACT NO.	BID PACKAGE	DES
E-77-20 (LM)	1	Exc
E-78-1 (LM)	2	Foc
E-78-6 (LM)	3	Sub
E-78-7 (LM)	4	Con
E-78-10 (LM)	5	Mec
E-78-11 (LM)	6	Ele
E-78-12 (LM)	7	Ele
E-78-37 (LM)	8	Con
E-78-13 (LM)	9 & 11	Sup
E-78-14 (LM)	13	Roof
E-78-38 (LM)	14	Exte
E-78-25 (LM)	15 & 16	Alum
E-78-27 (LM)	18	Masc
E-78-28 (LM)	19	Holl
E-78-39 (LM)	20	Hard
E-78-29 (LM)	21 & 10	Misc
E-78-30 (LM)	22	Turn
E-78-32 (LM)	24	Inte
E-78-33 (LM)	25	Overl
E-78-34 (LM)	26	Plas
E-78-35 (LM)	27	Coff
E-78-40 (LM)	28 & 35	Quar
E-78-41 (LM)	29	Paint
E-78-41 (LM)	30A	Wash



The Corporation of the City of Bombay

General and Municipal Committee



20th May 1954

MEMORANDUM

FOR THE GENERAL AND MUNICIPAL COMMITTEE

Subject: [Illegible]

Reference: [Illegible]

It is requested that the Committee may be pleased to consider the above subject and to take such action as may be deemed fit.

The Committee may also be pleased to consider the following:-

- 1. [Illegible]
- 2. [Illegible]
- 3. [Illegible]
- 4. [Illegible]
- 5. [Illegible]
- 6. [Illegible]
- 7. [Illegible]
- 8. [Illegible]
- 9. [Illegible]
- 10. [Illegible]

The Committee may also be pleased to consider the following:-

Yours faithfully,

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100

Mr. Chairman and Members,
Board of Control
Cont'd.....

Change Notices for which no Change orders
have been approved

\$294,808.17

Other Costs

\$154,167.00

Total

\$448,975.17

Based on these additional costs, the cost of this project
would be as follows:-

Total Contract Price

\$10,958,059.30

Other Costs

1,051,411.94

Total

\$12,009,471.24

Approved Budget

11,612,000.00

Over Budget

\$ 397,471.24

As shown above, based on the figures provided by the
Construction Manager, we would be \$397,471.24 over budget.
This does not make any allowance for any additional costs
that will occur in the future.

The additional costs are as follows:-

1. Change Notices

Change Notices that have been issued but for which no
Change Orders are approved are estimated to cost
\$294,808.37 and include the following:-

- (a) Changes to Bid Package No. 5 (Mechanical)
There change notices are estimated to cost
\$167,304.67. In a separate report, I have
forwarded a Change Order for this bid
package in the amount of \$118,774.43 covering
the updating of mechanical works to conform
with the architectural drawings, changes to the
roof drain system and rain water leaders, and
revisions to the fireprotection system. The
remainder of the extra cost associated with
this bid package is mechanical work associated
with the access tunnel which was not included
at the time of tendering.

Cont'd.....

CONTRACT NO.	BID PACKAGE	DES
E-77-20 (LM)	1	Exc
E-78-1 (LM)	2	Foc
E-78-6 (LM)	3	Sub
E-78-7 (LM)	4	Con
E-78-10 (LM)	5	Mcc
E-78-11 (LM)	6	Ele
E-78-12 (LM)	7	Ele
E-78-37 (LM)	8	Con
E-78-13 (LM)	9 & 11	Super St
E-78-14 (LM)	13	Roof
E-78-38 (LM)	14	Exte
E-78-25 (LM)	15 & 16	Alum
E-78-27 (LM)	18	Maso
E-78-28 (LM)	19	Holl
E-78-39 (LM)	20	Hard
E-78-29 (LM)	21 & 10	Misc
E-78-30 (LM)	22	Turn
E-78-32 (LM)	24	Inter
E-78-33 (LM)	25	Overl
E-78-34 (LM)	26	Plast
E-78-35 (LM)	27	Coff
E-78-40 (LM)	28 & 35	Quarz
E-78-41 (LM)	29	Paint
E-78-41 (LM)	30A	Wash

Mr. Chairman and Members
Board of Control
Cont'd.....

1. Change Notices.....Cont'd

- (b) Changes to Bid Package No. 6 (Electrical)
Change Notices have been issued in an estimated amount of \$69,249.75. In a separate report, I have forwarded, a Change Order for this bid package in the amount of \$47,520.75 which covers the cost of updating the electrical work to conform with the architectural drawings, revisions to security system and additional outlets for power and telephones. The remainder of the extra cost is for various minor items.
- (c) Changes to Bid Package No. 34 (Carpeting)
These changes involve a change in procedure to allow the partitions to be installed before the carpeting whereas the present contracts contemplate the carpeting being installed before the partitions. This involves extra cutting etc. and the contractor has submitted a price of \$17,999.75 for this change. This price is under review, but it appears excessive.
- (d) Changes to Bid Package No. 37 (Misc. Concrete)
Changes to this bid package, in the amount of \$38,968.22 covers the cost of supplying and placing precast pavers along York Boulevard adjacent to the site as well as other areas on the site. This price is considerably higher than the cost of a normal sidewalk. Therefore, this cost is under review. In addition, the cost of these sidewalks should not be included as they are covered in another budget.
- (e) Changes to Other Bid Packages
The changes shown for other bid packages are extras and credits in small amounts.

In addition, the City will be faced with the following additional costs:-

1. Construction Management Fee

When we received proposals for the construction management for this project, we specified that the bidder provide for a period of 22 months in order that all bidders would submit their bids on the same basis. I have received a request for an extension of time and additional payment under this contract because the completion of the project will be delayed from the original schedule. This delay

Cont'd.....

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E-77-20 (LM)	1	Exc
E-78-1 (LM)	2	Foo
E-78-6 (LM)	3	Sub
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E-78-34 (LM)	26	Overt
E-78-35 (LM)	27	Plast
E-78-40 (LM)	28 & 35	Coffe
E-78-41 (LM)	29	Quarr
E-78-41 (LM)	30A	Paint
E-78-41 (LM)	30A	Washr

Mr. Chairman and Members
Board of Control
Cont'd.....

has been caused by the discussions respecting the contract documents (March 6, 1978 to May 1, 1978) and due to the carpenters' strike (20 July 1978 to 7 September 1978). The details of this claim are contained in a letter dated 2 April 1979 from Pigott Construction Co. Ltd. (copy attached). The amount of this claim is \$61,767.00.

2. Site Services

I have received a report from Pigott Construction Ltd. that they anticipate additional costs, in the amount of \$67,400.00, for site services such as heating, snow clearing and other miscellaneous expenses. These additional costs are the result of the delays encountered by the discussions respecting the contract document and the carpenters' strike.

3. Structural Engineering Services

Some time ago, I was approached by the architect with a recommendation that the services of a structural engineer be provided during the construction of the structure. I reviewed this and in the case of reinforced concrete structure it is common practice to have the steel and formwork inspected by a structural engineer before and during the pouring of concrete. I agreed with this recommendation and I now present it to you for approval for payment at a cost of \$20,000.00 estimated.

4. Other Charges

We have made an allowance of \$5,000.00 for future costs that the City may encounter.

As seen above, if all the change notices that have been issued are approved, the cost will exceed the approved budget by \$397,471.24. However, as indicated above, it would appear to me that all these costs will not be approved. I would estimate that about \$350,000.00 is required. In addition, an allowance should be made for other change notices that have to be issued. I would suggest that a further \$150,000.00 be provided, making a total overrun of \$500,000.00

It is imperative that this project continue and that the following be approved:

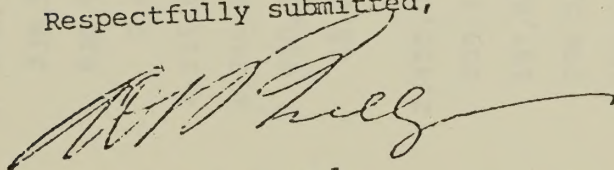
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E-78-41 (LM)	30A	Paint
E-78-41 (LM)	30A	Washr

Mr. Chairman and Members
Board of Control
Cont'd.....

Recommendation

1. That the approved budget for this project be increased by \$500,000.00 which will increase the total cost from \$11,712,000.00 to \$12,212,000.00.
2. That the contract for construction management in favour of Pigott Construction Limited be increased from \$379,992.00 to \$441,759.00, an increase of \$61,767.00.
3. That the cost of the site work to be done by Pigott Construction Ltd. be increased by \$67,400.00.
4. That a purchase order be issued to Omen Lee & Associates Limited in the amount of \$20,000.00 to cover the cost of site work relating to the construction of the concrete superstructure.
5. That the Change Order No. 7 for bid package No. 5 in favour of Goodram Bros. Ltd. in the amount of \$118,774.43 be approved as outlined in a separate report.
6. That Change Order No. 8 for bid package No. 6 in favour of Comstock International Ltd. in the amount of \$47,520.75 be approved as outlined in a separate report.
7. That your Board recommend the method of financing.

Respectfully submitted,



City Engineer and
Co-ordinator, Lloyd D. Jackson Square.

WLP:js
Attach.

c.c.:--Controller R. Morrow

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E-77-20 (LM)	1	Exc
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E-78-6 (LM)	3	Sub
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E-78-35 (LM)	27	Coffe
E-78-40 (LM)	28 & 35	Quarr
E-78-41 (LM)	29	Paint
E-78-41 (LM)	30A	Washr

Schedule I

CONTRACT NO.	PACKAGE	DESCRIPTION	BUDGET	LOW TENDER	NET AMOUNT OF CHANGE		NET AMOUNT OF CHANGE		PRICE
					ORDERS APPR'D.	CREDIT	ORDERS APP'D.	REVISED CONTRACT	
E-77-20 (LM)	1	Excavation	\$ 210,000	\$ 141,201	\$ 2,224.87			\$ 138,976.13	
E-78-1 (LM)	2	Footings	238,000	238,542			\$ 3,805.92	242,347.92	
E-78-6 (LM)	3	Substructure	600,000	610,900			3,569.00	614,469.00	
E-78-7 (LM)	4	Conduit System	10,000	7,498	105.00			7,393.00	
E-78-10 (LM)	5	Mechanical	2,293,000	2,535,000	141,099.54			2,393,900.46	
E-78-11 (LM)	6	Electrical	1,150,000	1,345,667	53,182.00			1,292,485.00	
E-78-12 (LM)	7	Elevators	434,000	450,315	55,535.00			394,780.00	
E-78-37 (LM)	8	Conveyor	30,000	18,339				18,339.00	
E-78-13 (LM)	9 & 11	Superstructure & Structural Steel	2,100,000	2,455,000			45,832.62	2,500,832.62	
E-78-14 (LM)	13	Roofing	115,000	209,770	73,597.00			136,173.00	
E-78-38 (LM)	14	Exterior Wall Panels	224,000	167,600	27,198.00			140,402.00	
E-78-25 (LM)	15 & 16	Aluminium Windows & Doors	442,000	798,213			533.00	798,746.00	
E-78-27 (LM)	18	Masonry	42,000	103,740	380.20			103,359.80	
E-78-28 (LM)	19	Hollow Metal Doors	29,000	45,996			10,410.00	56,406.00	
E-78-39 (LM)	20	Hardware	54,000	44,519	1,095.00			43,424.00	
E-78-29 (LM)	21 & 10	Misc. Metal Work	172,000	224,000	2,153.00			221,847.00	
E-78-30 (LM)	22	Tunnel	226,000	238,144				238,144.00	
E-78-32 (LM)	24	Interior Glazing	15,000	49,295	1,788.88			47,506.12	
E-78-33 (LM)	25	Overhead Doors	23,000	18,632				18,632.00	
E-78-34 (LM)	26	Plastering, Drywall	160,000	233,000	2,468.00			230,532.00	
E-78-35 (LM)	27	Coffered Ceiling	132,000	53,040	7,911.50			45,128.50	
E-78-40 (LM)	28 & 35	Quarry, Vinyl Tile	87,000	65,900				65,900.00	
E-78-41 (LM)	29	Painting	105,000	108,960				116,485.00	
E-78-41 (LM)	30A	Washroom Accessories	9,000	7,849				9,424.00	
							7,525.00		
							1,575.00		

RECEIVED

SEP 6 1979

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

CONTRACT NO.	BID PACKAGE	DESCRIPTION	BUDGET	LOW TENDER	NET AMOUNT OF CHANGE OF ORDERS APPROVED	NET AMOUNT OF CHANGE OF ORDERS, NOT APPROVED	REVISED CONTRACT PRICE
E-78-41(LM)	30B	Wardrobe Accessories	\$ 3,000	\$ 695			\$ 695.00
E-78-41(LM)	30C	Rolling Shutters	8,000	6,529			6,529.00
E-78-41(LM)	30D	Exp. Joint Covers, Foot Grille	3,000	2,422			2,422.00
E-78-42(LM)	32	Refinished Cabinet Work	55,000	193,865	7,867.00 CR	1,385.00	187,383.00
E-78-43(LM)	33 & 31	Hollow Metal Doors (Install)	57,000	94,873	54,502.20	174.00	149,549.20
E-78-44(LM)	34	Carpeting	193,000	216,645	186.22	17,999.75	234,830.97
E-78-46A(LM)	36A	Flag Pole	900	1,320			1,320.00
E-78-46B(LM)	36B	Toilet Compartments	5,900	11,713			11,713.00
E-78-46C(LM)	36C	Folding Partitions	28,000	16,500			16,500.00
E-78-46D(LM)	36D	Security Grilles	2,500	29,951			29,951.00
E-78-46E(LM)	36E	Ext. Sign Letters	4,000	1,484.50			1,484.50
E-78-46F(LM)	36F	Chalkboards & Tackboards	1,700	1,950			1,950.00
E-78-47(LM)	37	Misc. Concrete	48,000	158,031	651.34 CR	38,968.22	196,347.88
E-78-48(LM)	38	Caulking	4,000	5,470			5,470.00
			\$9,314,000	\$10,912,568.50	\$249,317.37CR	\$294,808.17	\$10,958,059.30

Allowances		\$	30,000.00
Landscaping		\$	30,000
Final Cleaning			15,000
Contingency (Including allowance for B.P. #12 and #23)			301,008

DESCRIPTION	BUDGET	TENDER	NET AMOUNT OF CHANGE ORDERS APPROVED	NET AMOUNT OF CHANGE ORDERS NOT APPROVED	REVISED CONTRACT PRICE
Construction Mgt. (including 50% Bond for Mgt. Fee)	\$ 379,992	\$ 379,992		\$ 61,767.00	\$ 441,759.00
Construction Mgt. Site Work	208,240	208,240		67,400.00	275,640.00
City Site Work including:	141,760				
- <u>Testing & Inspection</u>					
Trow		29,000			29,000.00
Environmental Control		28,800			28,800.00
Westinghouse		3,890			3,890.00
Roofing Inspection		1,000			1,000.00
-Security		54,000			54,000.00
-Insurance		78,742.07			78,742.07
-Permit		47,060.00			47,060.00
-Other Charges including Office Supplies, salaries for project		21,520.87		5,000.00	26,520.87
Omen Lee				20,000.00	20,000.00
Additional Funds Approved by the City	1,222,000				
	\$ 11,612,000	\$ 11,809,813.44	\$ 249,317.37CR	\$ 448,975.17	\$ 12,009,471.24

Estimated Net Overrun \$397,471.24

Schedule II

CONTRACT NO.	BID PACKAGE	DESCRIPTION	BUDGET	LOW TENDER	NET AMOUNT OF CHANGE OF ORDERS		NET AMOUNT OF CHANGE OF ORDERS NOT APPROVED		REVISED CONTRACT PRICE
					APPROVED	APPROVED	APPROVED	APPROVED	
E-77-20 (LM)	1	Excavation	\$ 210,000	\$ 141,201	\$ 2,224.87 CR*			\$ 138,976.13	
E-78-1 (LM)	2	Footings	238,000	238,542	3,805.92			242,347.92	
E-78-6 (LM)	3	Substructure	600,000	610,900	3,569.00			614,469.00	
E-78-7 (LM)	4	Conduit System	10,000	7,498	105.00 CR			7,393.00	
E-78-10 (LM)	5 & 31	Mechanical	2,293,000	2,535,000	141,099.54 CR		167,304.67	2,561,205.13	
E-78-11 (LM)	6	Electrical	1,150,000	1,345,667	53,182.00 CR		69,249.75	1,361,734.75	
E-78-12 (LM)	7	Elevators	434,000	450,315	55,535.00 CR			394,780.00	
E-78-37 (LM)	8	Conveyor	30,000	18,339				18,339.00	
E-78-13 (LM)	9 & 11	Superstructure & Structural Steel	2,100,000	2,455,000	45,832.62		687.60 CR	2,500,145.02	
E-78-14 (LM)	13	Roofing	115,000	209,770	73,597.00 CR			136,173.00	
E-78-38 (LM)	14	Exterior Wall Panels	224,000	167,600	27,198.00 CR			140,402.00	
E-78-25 (LM)	15 & 16	Aluminium Windows & Doors	442,000	798,213	533.00			798,746.00	
E-78-27 (LM)	18	Masonry	42,000	103,740	380.20 CR			103,359.80	
E-78-28 (LM)	19	Hollow Metal Doors	29,000	45,996	10,410.00		730.00	57,136.00	
E-78-39 (LM)	20	Hardware	54,000	44,519	1,095.00 CR		727.33	44,151.33	
E-78-29 (LM)	21 & 10	Misc. Metal Work	172,000	224,000	2,153.00 CR			221,847.00	
E-78-30 (LM)	22	Tunnel	226,000	238,144				238,144.00	
E-78-32 (LM)	24	Interior Glazing	15,000	49,295	1,788.88 CR		581.67 CR	46,924.45	
E-78-33 (LM)	25	Overhead Doors	23,000	18,632				18,632.00	
E-78-34 (LM)	26	Plastering, Drywall	160,000	233,000	2,468.00 CR		414.00 CR	230,118.00	
E-78-35 (LM)	27	Coffered Ceiling	132,000	53,040	7,911.50 CR			45,128.50	
E-78-40 (LM)	28 & 35	Quarry, Vinyl Tile	87,000	65,900				65,900.00	
E-78-41 (LM)	29	Painting	105,000	108,960	7,525.00		145.00 CR	116,340.00	
E-78-41 (LM)	30A	Washroom Accessories	9,000	7,849	1,575.00		97.72	9,521.72	

*Note CR indicates Credit

CONTRACT NO.	BID PACKAGE	DESCRIPTION	BUDGET	LOW TENDER	NET AMOUNT OF CHANGE OF ORDERS APP'D. CREDIT	NET AMOUNT OF CHANGE OF ORDERS APP'D. EXTRA	REVISED CONTRACT PRICE
E-78-41 (LM)	30B	Wardrobe Accessories	\$ 3,000	\$ 695			695.00
E-78-41 (LM)	30C	Rolling Shutters	8,000	6,529			6,529.00
E-78-41 (LM)	30D	Exp. Joint Covers,	3,000	2,422			2,422.00
		Foot Grille	55,000	193,865	7,867.00		185,998.00
E-78-42 (LM)	32	Refinished Cabinet Work				54,502.20	149,375.20
E-78-43 (LM)	33, 17 & 31	Hollow Metal Doors (Install)	57,000	94,873		186.22	216,831.22
			193,000	216,645			1,320.00
E-78-44 (LM)	34	Carpeting	900	1,320			11,713.00
E-78-46A (LM)	36A	Flag Pole	5,900	11,713			16,500.00
E-78-46B (LM)	36B	Toilet Compartments	28,000	16,500			29,951.00
E-78-46C (LM)	36C	Folding Partitions	2,500	29,951			1,484.50
E-78-46D (LM)	36D	Security Grilles	4,000	1,484.50			1,950.00
E-78-46E (LM)	36E	Ext. Sign Letters	1,700	1,950			157,379.66
E-78-46F (LM)	36F	Chalkboards & Tackboards	48,000	158,031	651.34		5,470.00
E-78-47 (LM)	37	Misc. Concrete	4,000	5,470			
E-78-48 (LM)	38	Caulking					
			\$ 9,314,000	\$10,912,568.50	\$377,256.33	\$127,938.96	\$10,663,251.13

Allowances

Landscaping

Final Cleaning

Contingency (including allowance for B.P.#12 and #23)

30,000

15,000

301,008

11

RECEIVED
JAN 10 1973
FEDERAL BUREAU OF INVESTIGATION
U.S. DEPARTMENT OF JUSTICE

DESCRIPTION	BUDGET	LOW TENDER	NET AM'T. OF CHANGE ORDERS		REVISED CONTRACT PRICE
			APPROVED CREDIT	APPROVED EXTRA	
Construction Mgt. (including 50% Bond on Mgt. Fee	\$ 379,992	\$ 379,992.00			\$ 379,992.00
Construction Mgt. Site Work	208,240	208,240.00			208,240.00
City Site Work including:	141,760				
- <u>Testing & Inspection</u>					
Trow		29,000.00			29,000.00
Environmental Control		28,800.00			28,800.00
Westinghouse		3,890.00			3,890.00
Roofing Inspection		1,000.00			1,000.00
-Security		54,000.00			54,000.00
-Insurance		78,742.07			78,742.07
-Permits		47,060.00			47,060.00
-Other Charges including Office Supplies, salaries for project		21,520.87			21,520.87
Additional Funds Approved by the City	1,222,000				
			\$377,256.33	\$127,938.96	\$ 11,515,496.07
			\$11,612,000.00	\$11,764,813.44	

Net Underrun: \$96,503.93

Library cost overrun called shocker

Spectator
Aug. 27th 1979
P.7

1979

By JUDY NYMAN
Spectator Staff

HAMILTON'S LIBRARY-Market complex is expected to run half a million dollars over its \$11-million budget, according to a report from the city engineer.

William Phillips, who was not present when a member of his department broke the bad news to board of control today, drafted an 11-page report explaining the cost escalation.

To cover all additional expenditures, Mr. Phillips asked the board for \$500,000 bringing the total budget to \$12,009,471.24 — \$397,471.24 over what city council has approved.

Ton of bricks

Controller Pat Valeriano called the report a real shocker and said it hit like a tons of bricks.

The mayor and the four controllers weren't the only ones hit with the news today. Representatives of the engineering and construction firms working on the complex also received notice of the increase this morning.

Since no one knew what it was all about and since Mr. Phillips was unavailable this morning, a special meeting has been called for tomorrow at which Mr. Phillips will be asked to explain the overrun.

Mr. Valeriano asked repeatedly during today's short meeting whether work had begun on any of the \$450,000 in unapproved (by board of control) changes contained in the report. He didn't receive an answer.

Contingency

He said after the meeting: "I get the feeling that some of these unapproved change orders have gone ahead already and that concerns me ... We never budgeted for that (\$500,000) and I don't think we have that kind of money in the contingency fund."

As of last Thursday, there was a \$96,503.93 surplus in the library-market account but Mr. Phillips said he was advised by the construction manager "there are additional costs that we will encounter before the completion of the project. . . \$294,808.17 (in change orders) and \$154,167 (in other costs)."

Bethune says cladding ugly

THE LIBRARY-Market complex will look ugly and offensive if the metal cladding used on the outside is allowed to remain, a controller charged today.

"It looks cheap and shabby and we should put a halt to the construction right now ... That's nothing but a disaster and I don't want to see an \$11 million building looking like an eyesore," Controller Jim Bethune said, before learning the complex is expected to run half a million dollars over budget.

Brick or glass

"He should get the architect in here before going any further ... The corrugated metal cladding they put on there looks like what you'd use on a barn. Anything — brick or glass — would be better than that," Mr. Bethune said. It won't fit in with the city's concept of what downtown should look like, he said, and suggested each member of the board should have a look at it before construction continues. The cost of the material being used is \$167,000 according to a recent report from the city engineer.

This does not take into account any future costs which is why Mr. Phillips is asking for half a million.

Among the changes included in the overrun are: \$236,554.42 for electrical; \$17,999.75 for carpeting; and \$38,968.22 for concrete.

Other foreseen costs will include: \$61,767 to extend Pigott Construction's contract (due to delays in signing the contract and because of the carpenter's strike last summer); \$67,400 for site services such as heating and snow clearing; \$20,000 for a structural engineer; and \$5,000 for future costs.

Imperative

Mr. Phillips concluded his report saying: "It is imperative that this project continue" and that board of control approve all of the above costs and recommend the method of financing."

In November, 1978, city council agreed to up the budget \$1.2 million from the original 1975 figure of \$10 million. If council approves the current request, the building will run more than \$2 million over budget by the time of its expected completion next May.

Library may cost \$1½m over budget

By JUDY NYMAN
Spectator Staff

HAMILTON'S city engineer was to appear at a special board of control meeting today to explain why the library-market complex is expected to run half a million dollars over its \$11 million budget.

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William Phillips was not present when a member of his department broke the bad news to board of control yesterday. It was drafted in an 11-page report by Mr. Phillips explaining the cost escalation. To cover all additional expenditures, Mr. Phillips asked the board for \$500,000 bringing the total budget to \$12,009,471.24 — \$397,471.24

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In November, 1978, city council agreed to up the budget \$1.2 million from the original 1975 figure of \$10 million. If council approves the current request, the building will run more than \$2 million over budget by the time of its expected completion next May.

Board of control team will probe library costs

A SPECIAL board of control team will probe the latest cost overruns at the city's library-market complex.

Mayor Jack MacDonald announced yesterday that Controllers Jim Bethune and Bob Morrow will examine the project and report to the board within 10 days.

The \$400,000 overrun — which is expected to reach half a million dollars before the project is completed next May — shocked board members Monday. It will bring the total budget to just over \$12 million — almost \$2 million more than the original \$10 million projected in 1975.

Mr. MacDonald made the announcement as the press waited for a special board meeting that was called to hear an explanation of the overrun from city engineer Bill Phillips, the co-ordinator of Lloyd D. Jackson Square.

Mr. Phillips was absent from a board meeting Monday where his report outlining the extra costs was released. He had an accident at his cottage on the weekend and suffered first degree burns to one arm.

Mr. MacDonald said it was unfair to expect council to make a decision on the new costs within a 24-hour period of Mr. Phillips' report.

He said council would receive the report and could debate the matter at its Sept. 11 meeting.

Mr. Morrow said he and Mr. Bethune would meet with Mr. Phillips, architect Anthony Butler and representatives of Piggott Structures Ltd., the construction managers of the project.

Controller Pat Valeriano, who couldn't get an answer when he

asked Monday if any of the unapproved work had gone ahead, said he understood from Mr. MacDonald that the city has two weeks to reach a decision before the matter becomes critical.

In his report Mr. Phillips outlined \$294,808 in change orders and \$154,167 in other costs.

The change orders include \$236,554.42 for electrical, \$11,999.75 for carpeting and \$38,968.22 for concrete.

Other foreseen costs include \$61,767 to extend Piggott's contract, \$67,000 for site services, \$20,000 for a structural engineer and \$5,000 for future costs.

Mr. Phillips asked the board to approve \$500,000 to cover those costs plus other unforeseen expenses saying: "It is imperative that this project continue."

New library loses beauty poll 5-1.

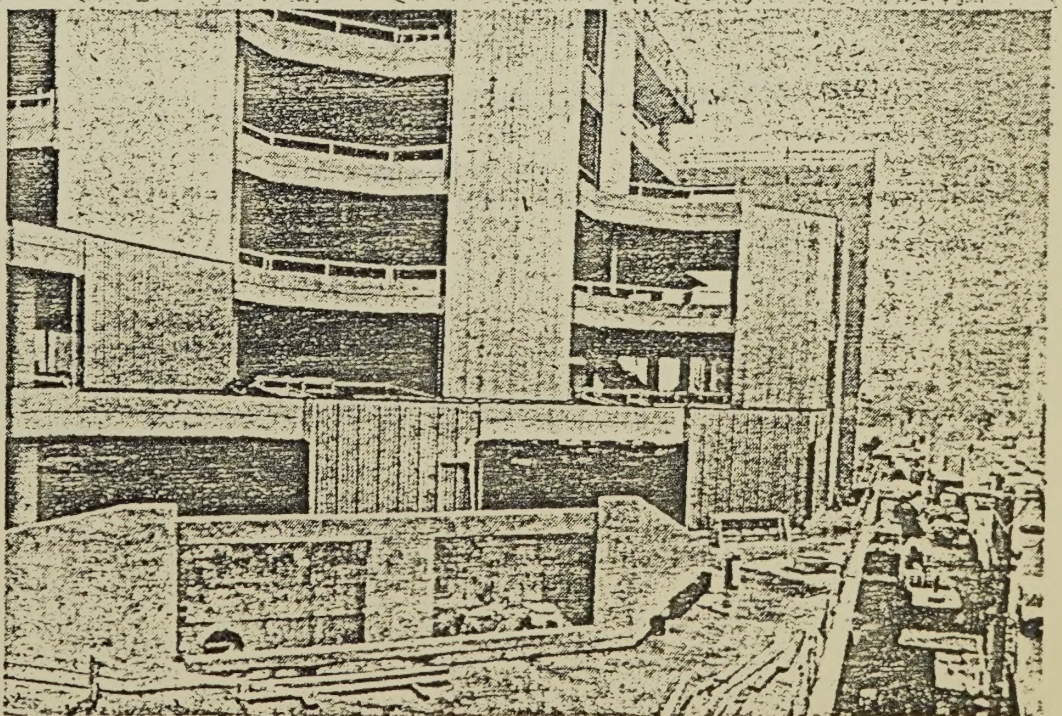
CONTROLLER JIM Bethune apparently has support in his criticism of the library-market complex.

Mr. Bethune said on Monday that metal cladding on the building gave it an ugly, cheap appearance and that unless the design was changed the city would end up with an eyesore.

A Spectator mini-poll conducted at the construction site of the \$12-million building could find only one person, out of six interviewed, who did not think the metal finish offensive.

Jay Thompson, of Burlington Street, said she thought the structure was fine. "I think it's different and I like the architecture," said the Hamilton housewife.

Jim Albanese of Stoney Creek agreed that in its present unfinished condition the building was not



A view of the north-east corner of the library-market complex.

attractive.

"But what is ugly in one man's eyes may not

be ugly in another's. Even a half finished house looks ugly. I'll have to wait until the building is completed before passing judgment."



CITY COUNCIL
HAMILTON CANADA

September 5th, 1979

RECEIVED

SEP 6 1979

Mr. Bill Phillips
City Engineer
City Hall

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Dear Sir:

Like many other citizens of Hamilton, I was shocked to read in the Spectator that there has been another cost overrun of some half a million dollars on the new library. I have written to Mr. Jack Jones, Secretary of the Board of Control, requesting a copy of your report on this matter.

If you remember, the last time cost overruns were reported to Council, Council made some changes to assist in cutting the cost back and they were instituted at that time. I, like other Members of Council, felt that that was all that was needed, that the building would proceed and finish according to the cost cuts that were instituted at that time.

At that time, we reserved the right that all changes that had been made did not prejudice the City's position in regard to any suit we might have against the architect or the construction manager.

I would also like to be advised as to whether or not you have reviewed this last development with the City Solicitor.

When I read about the overrun in the Spectator, as soon as possible I phoned the Solicitor and asked if he had any information and he said he knew nothing about the subject any more than what he had read in the press.

May I suggest that you forward him a copy of your report so that he can review it officially and advise the Council as to its legal position in this matter.

Yours very truly,

Reg Wheeler
Alderman, Ward 5

D:\101

cc's to: Mr. K. A. Rouff, City Solicitor ✓
Controller P. O. Valeriano
Mr. J. R. Jones, Secretary, Board of Control

K.A. ROUFF
CITY SOLICITOR

SOLICITORS:
W.M. McCULLOCH
P.M. EKER
D.R. VICKERS
P.R.A. HOOKER
D.A. POWERS
A.K. MEEMA



RECEIVED
THE CORPORATION OF THE CITY OF HAMILTON
OFFICE OF THE CITY SOLICITOR
12-33-79
SEP 7

YOUR FILE NO.

REPLY ATTENTION: K. A. Rouff

OUR FILE NO. 30-2.19(a)

CITY HALL
HAMILTON, ONTARIO
L8N 3T4

TEL. 527-0241

September 7, 1979

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LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON
12-33-79
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THE CITY OF HAMILTON

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12:35
SEP 7

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LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Chairman and Members
Board of Control

Members of the Board:

Re: Library -- Farmers' Market
Cost "over-run"

On my return from the Bar Meeting in Calgary, I had a telephone call from Alderman Wheeler, who wanted my views on the recent "cost over-run" with respect to this project. I told the Alderman that I had just returned to the office and had no knowledge of the matter, except what I had read in the newspaper. Subsequently, in the afternoon, our Mr. McCulloch told me that Controller Valeriano had, a few days before, given him a copy of the letter to you of August 23 from Mr. W. L. Phillips, the City Engineer and Co-ordinator, Lloyd D. Jackson Square, and had asked him to prepare comments on it; Mr. McCulloch was in the process of preparing these comments.

I reviewed the matter and asked him to proceed with the report for Controller Valeriano, expecting that, at some time your Board would be asking me for advice on the City's position. In the meantime, Controller Morrow spoke to me to the effect that he and Controller Bethune had been appointed to prepare a report with recommendations for Board of Control and City Council and that he was very anxious that the project should be completed with a minimum of delay. He added that he proposed to give his report to Council as early as possible. In the course of his endeavours, (he said), he had spoken to Mr. Anthony Butler, the architect, at some length, as well as to a member of Mr. Phillips' staff, and on that basis he was prepared to make his recommendation. I suggested to the Controller that a recommendation now might be premature and that he should refrain from reaching any conclusion until he and your Board were in receipt of explanatory written reports from Mr. Butler and from Pigott Structures Company Limited, the construction manager, as was done a year ago, when the last "cost over-run" occurred.

September 7, 1979

Therefore, because of the importance of this matter, the report that was being prepared for Controller Valeriano will be given to you so that you will have the benefit of the City's legal position. It is my recommendation:

- I That the Board should, on behalf of the City, immediately send a letter to Mr. Anthony Butler, the architect, stating:
 - a) The City requires a full written report as to how the "cost over-run" arose;
 - b) The City is reserving all its rights to claim for reimbursement and damages from all parties having responsibility for this latest increase in the cost of the construction of this project over and above the amount budgeted and approved by City Council; and
 - c) The reservations of the City's rights is to remain in effect, notwithstanding any steps that the City may take:
 - (i) to mitigate damages brought about by the cost over-runs, and
 - (ii) to complete the project without delay.

- II That the Board send a letter in identical terms to Pigott Structures Company Limited, the construction manager.

Now I shall address myself to the original request from Controller Valeriano for comments on Mr. Phillips' letter of August 23. These comments are not meant to be exhaustive, but merely reflect our initial reaction to Mr. Phillips' letter; we shall doubtless have further comments as we receive replies to the questions we are raising herein.

Why must the mechanical works be updated to conform with the architectural drawings? -- If the architect's drawings have remained unchanged, but the contractor has failed to build in accordance with those drawings, then the contractor should correct his own mistake at his own expense.

If, after the contracts were awarded, the architect changed the plans with the approval of Board of Control and Council, with the result that the contractor had to carry out work different from that on which he bid, then the City should pay.

If the architect changed his plans after the contract had been awarded, without the City's consent, perhaps the architect is liable for the cost of the additional work.

How is the \$118,774.43 made up? -- Page 2 of the letter of August 23 says that this covers the updating of mechanical works to conform with the architectural drawings, changes to the roof drain system and rain water leaders, and revisions to the fire protection system, but does not say what the cost of each component is.

....

September 7, 1979

The letter adds that "Change Notices" are estimated to cost \$167,304.67.

Recommendation 5 on Page 5 is that the City approve Change Order in favour of Goodram Bros. Ltd. in the amount of \$118,774.43.

By subtracting the \$118,774.43, there is left \$48,530.24 to cover mechanical work associated with the access tunnel "which was not included at the time of tendering". The Working Budget attached to the letter shows that Contract E-78-30(LM) was awarded for the tunnel at a cost of \$238,144.00. Why was not the additional \$48,530.24 worth of work anticipated by the architect and provided for in the specifications?

Why must the electrical work be updated to conform with the architectural drawings?

If the architect's drawings have remained unchanged, but the contractor has failed to build in accordance with those drawings, then the contractor should correct his own mistake at his own expense. If, after the contract was awarded, the architect changed his plans with the approval of Board of Control and Council, the City should pay. If the architect changed his plans after the contractor had bid, without the approval of Board of Control and Council, perhaps the architect is liable.

How much of the \$47,520.75 is the cost of updating the electrical work and how much is to cover revisions to security system and additional outlets for power and telephones?

Recommendation 6 on Page 5 is that Change Order No. 8 be approved in the amount of \$47,520.75. The difference between this amount and the total of \$69,249.75 mentioned on Page 2 is \$21,729.00 and apparently is for "various minor items". There is no recommendation that these be paid for.

Why is the procedure to be changed to have the partitions installed before the carpeting? -- The letter says that the estimated cost, \$17,999.75 is under review. What advantage is there to the City in changing the procedure, at all?

Should "precast pavers" be included in the estimates for this project? -- The letter, Page 3, says that the cost, \$38,968.22 is considerably higher than the cost of a normal sidewalk, and is under review. Would ordinary sidewalks suffice?

The letter adds that the cost of the sidewalks should not be included as they are covered in another budget. However, the summary of additional costs attached to the letter shows opposite Bid Package 37 the entry "Misc. Concrete", \$38,968.22.

Why was the fee of \$20,000.00 for a structural engineer not included in the budget? -- Page 4 of the letter says that, "in

the case of reinforced concrete structure, it is common practice to have the steel and formwork inspected by a structural engineer before and during the pouring of concrete."

Cost of Project -- Page 1 of the letter says that the approved budget is \$11,612,000.00. Recommendation 1 on Page 5 shows the figure as \$11,712,000.00. The Engineering staff explain that the difference of \$100,000.00 is to cover the architect's fees and that the report was intended to cover only the estimated increase in the cost of construction. If the \$100,000.00 were included, the figures would change as follows:

	figures in letter	figures including \$100,000.00 architect's fee
Total Contract Price	\$10,958,059.30	\$10,958,059.30
Other Costs	1,051,411.94	1,151,411.94
Total	\$12,009,471.24	\$12,109,471.24
Approved Budget	\$11,612,000.00	\$11,712,000.00
Over Budget	\$ 397,471.24	\$ 397,471.24

Claims arising from "delay"

The letter of August 23 from Mr. Phillips states that there will be a delay in the completion of the project, because of the discussions respecting the contract documents in 1978 and the carpenters' strike, also in 1978. Pigott Structures Company Limited is claiming an increase in its construction management fee of \$61,767.00 and an amount for anticipated costs such as heating, snow clearing and miscellaneous of \$67,400.00. Recommendations 2 and 3 are that these amounts be allowed.

You may recall that Mr. W. W. Heiss, (then of our Department), and I met Mr. Anthony Butler, the architect, Mr. W. L. Phillips and Mr. F. W. Eckenrath on January 11, 1978 concerning Mr. Butler's recommendation that the contract forms prepared by the Canadian Construction Association be used for this project. We understood that Mr. Butler would make the changes recommended by our Department, but it was not until February 2, (some 3 weeks later), that this Department received a new set of documents. That set did not include all the changes which had been agreed upon. It was only after a series of meetings of Messrs. Heiss, Butler and Earle of the Engineering Department and myself with one another and Board of Control that City Council on March 20, 1978 decided that the City's Standard Contract Documents (Books A and B) were to be used for the project.

All of the above with respect to delay should be considered within the context that when Mr. Butler prepared his original estimates for City Council, he did not indicate that he intended to depart from regular practice of using the City's Standard Contract Documents.

....

September 7, 1979

Therefore, it is our view that the delay to which Mr. Phillips refers was not the fault of the City but that of Mr. Butler, the architect. If any case for compensation for the delay is made out on behalf of the construction manager, then payment of the compensation is the responsibility of the architect.

This is not to say that we lend any support to the claims of the construction manager. Such claims will have to be reviewed in the light of the remarks made above with respect to Mr. Butler and in the light of the Agreement dated August 30, 1977 between the City and the construction manager. It is my view that the City, at this time, should not accept these claims.

Questions from 1978 "over-run"

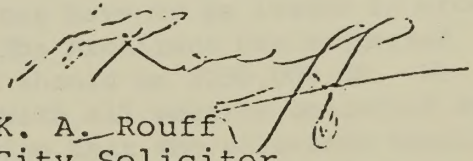
On September 11, 1978, Mr. W. L. Phillips reported an expected "over-run". Later in the Fall, a number of items were deleted that had been originally included in the project, but, even then, it was necessary to seek the approval of the Ontario Municipal Board for an increase in the cost of the project of \$472,000.00.

At that time, various heads of Departments were asked to prepare reports, and in attempting to do so, I wrote a 4-page letter dated November 23, 1978 to Mr. Phillips, raising a number of questions. (Our file shows that a copy was sent to Mr. J. R. Jones, Secretary, Board of Control, but I am attaching another copy now, for your convenience). To date, there has been no reply from Mr. Phillips nor answers to these questions.

In the light of this most recent development, it is, in my opinion, imperative that the questions raised in my letter of November 23, 1978 to the Co-ordinator, Mr. W. L. Phillips, be answered.

In any event, in any recommendation which you make to Council, it should be clearly stated that it is made without prejudice to the City's rights against those who are responsible for the cost "over-run".

Yours truly,


K. A. Rouff
City Solicitor

KAR:jm
encl.

c.c. Controller R. M. Morrow

c.c. Controller P. O. Valeriano

MAYOR
JOHN A. MACDONALD
CONTROLLERS
ROBERT M. MORROW, B.A., A.R.C.T.
VINCE AGRO, B.A.
PAT VALERIANO, G.J.
JAMES A. BETHUNE, B.A.



Recd - 10/10/79
1-382-111
J. R. JONES
SECRETARY
R. M. COLLIER
ASST SECRETARY
CITY HALL
LBN 3T4

BOARD OF CONTROL
HAMILTON, ONTARIO

10 September 1979

RECEIVED

SEP 10 1979

Mr. Chairman and Members,
Board of Control.

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Re: Central Library and
Farmers' Market

Members of the Board:

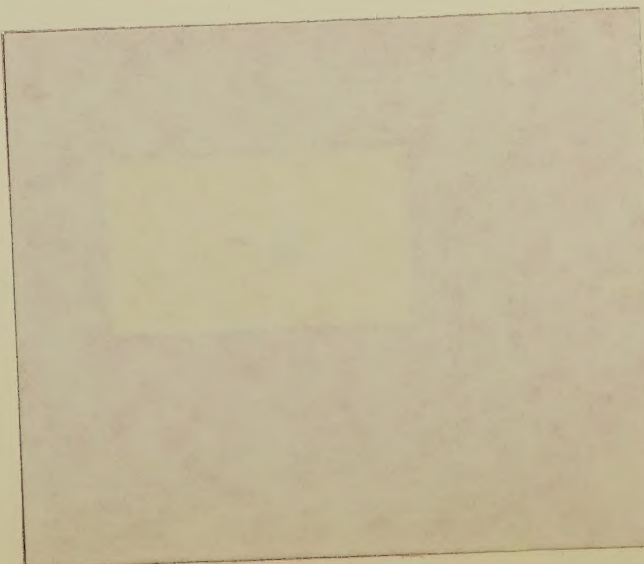
As requested by your Board, we have reviewed the report dated 23 August 1979 that your Board received from Mr. W. L. Phillips regarding the cost overruns in this project (copy attached as Addendum No. 1). We have discussed this matter with Mr. Phillips along with Mr. A. Butler, Architect, Mr. P. Hatton, Pigott Construction Limited, Mr. W. H. McFarland, City Treasurer and Mrs. J. McAnanama, representing the Library Board. As outlined in the report, it is forecast that the cost overrun is estimated to be \$397,471.24.

On Addendum No. 2 (copy attached) we have outlined the items which will cause this overrun along with the appropriate explanation of adjustments in these items which we are recommending to your Board. With these adjustments, the overrun would be revised to an estimated amount of \$354,503.27.

In addition, the City Engineer has recommended an additional \$150,000.00 be provided to allow for any other Change Notices which may have to be issued in order to complete this project. The Architect has suggested that this additional amount should be \$250,000.00. We have discussed this matter with all parties concerned and we have come to the conclusion that the allowance should be \$250,000.00 to make sure that sufficient funds are provided to cover the completion of this project. With this addition, the total additional funds required would be \$600,000.00.

We have discussed the requirement for additional funds with Mr. W. H. McFarland, City Treasurer, and we attach herewith, as Addendum No. 3, a copy of Mr. McFarland's letter dated 7 September 1979, in which he recommends

Continued.....



that the additional funds be finalized by the issuance of debentures.

The City Treasurer has provided us with a list of all items that are contained in the Capital Budget relating to the Central Library and Farmers' Market. This list, along with a letter dated 7 September, 1979, from the City Treasurer, is attached as Addendum No. 4, under the column "Estimated Increase" he has shown the possible increases that may be required for some of these items. However, we stress that these amounts are tentative and have not been finalized. When the cost of these items has been finally determined they will be the subject of future reports to your Board.

With regard to the changes in mechanical and electrical work (Bid Packages No. 5 & 6, respectively), we attach herewith, as Addendum No. 5, a copy of a report, dated 4 September 1979, from the City Engineer outlining the action that has been taken with respect to this work. This report explains the reasons for proceeding with some of this work and we concur with the action that has taken place. However, it is our recommendation that a procedure be established, under City Contracts, whereas interim approval is obtained from the Board of Control through "Technical Bulletins" to cover the situation where work must proceed before a formal Change Order can be prepared and submitted for approval.

RECOMMENDATIONS:

1. That an additional \$600,000.00 be approved for this project and that the City Solicitor make the necessary application to the Ontario Municipal Board for authority to increase the total cost of this project by \$600,000.00 and to increase the authority to issue debentures in the same amount.
2. That the contract for construction management in favour of Pigott Construction Limited be increased from \$379,992.00 to \$441,759.00, an increase of \$61,767.00.
3. That the cost of the site work to be done by Pigott Construction Limited be increased by \$67,400.00.
4. That a purchase order be issued to Omen Lee & Associates Limited, in the amount of \$25,000.00, to cover the cost of site work relating to the construction of the concrete superstructure.

Continued.....

Mr. Chairman and Members,
Board of Control
10 September 1979

- 3 -

Continued.....

RECOMMENDATIONS (Cont'd...)

5. That the Change Order No. 7, for Bid Package No. 5, in favour of Goodram Bros. Ltd., in the amount of \$118,774.43, be approved as outlined in a separate report.
6. That Change Order No. 8, for Bid Package No. 6, in favour of Comstock International Ltd., in the amount of \$47,520.75, be approved as outlined in a separate report.
7. That a procedure be established under City Contracts to provide for Technical Bulletins where work must proceed before a formal Change Order can be prepared and approved.

Respectfully submitted,

Controller R. M. Morrow

Controller J. A. Bethune

jb

Attchs.



THE CORPORATION OF THE CITY OF HAMILTON

DEPARTMENT OF ENGINEERING
CITY HALL, HAMILTON
L8N 3T4

23 August 1979.

RECEIVED

SEP 10 1979

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Mr. Chairman and Members,
Board of Control.

Re: Central Library and
Farmers' Market

Members of the Board:

We have carried out a review of this project and particularly
the budget as approved by City Council.

The following is the result of our review:-

Total Value of Contracts Awarded	\$10,912,568.50
Value of Change Orders (Credit)	249,317.37
Net Value of Contracts to Date	\$10,663,251.13
Other Costs	852,244.94
Total Commitments to Date	\$11,515,496.07
Approved Budget	\$11,612,000.00
Surplus or (Deficit)	\$ 96,503.93

The details of this are shown on Schedule 1, attached herewith.

The Construction Manager has advised me that there are
additional costs that we will encounter before the completion
of the project. These costs fall into two categories as
follows:-

Cont'd.....

Mr. Chairman and Members,
Board of Control
Cont'd.....

Change Notices for which no Change orders have been approved	\$294,808.17
Other Costs	\$154,167.00
Total	\$448,975.17

Based on these additional costs, the cost of this project
would be as follows:-

Total Contract Price	\$10,958,059.30
Other Costs	1,051,411.94
Total	\$12,009,471.24
Approved Budget	11,612,000.00
Over Budget	\$ 397,471.24

As shown above, based on the figures provided by the
Construction Manager, we would be \$397,471.24 over budget.
This does not make any allowance for any additional costs
that will occur in the future.

The additional costs are as follows:-

1. Change Notices

Change Notices that have been issued but for which no
Change Orders are approved are estimated to cost
\$294,808.37 and include the following:-

- (a) Changes to Bid Package No. 5 (Mechanical)
There change notices are estimated to cost
\$167,304.67. In a separate report, I have
forwarded a Change Order for this bid
package in the amount of \$118,774.43 covering
the updating of mechanical works to conform
with the architectural drawings, changes to the
roof drain system and rain water leaders, and
revisions to the fireprotection system. The
remainder of the extra cost associated with
this bid package is mechanical work associated
with the access tunnel which was not included
at the time of tendering.

Cont'd.....

Mr. Chairmann and Members
Board of Control
Cont'd.....

1. Changes Notices.....Cont'd

- (b) Changes to Bid Package No. 6 (Electrical)
Change Notices have been issued in an estimated amount of \$69,249.75. In a separate report, I have forwarded, a Change Order for this bid package in the amount of \$47,520.75 which covers the cost of updating the electrical work to conform with the architectural drawings, revisions to security system and additional outlets for power and telephones. The remainder of the extra cost is for various minor items.
- (c) Changes to Bid Package No. 34 (Carpeting)
These changes involve a change in procedure to allow the partitions to be installed before the carpeting whereas the present contracts contemplate the carpeting being installed before the partitions. This involves extra cutting etc. and the contractor has submitted a price of \$17,999.75 for this change. This price is under review, but it appears excessive.
- (d) Changes to Bid Package No. 37 (Misc. Concrete)
Changes to this bid package, in the amount of \$38,968.22 covers the cost of supplying and placing precast pavers along York Boulevard adjacent to the site as well as other areas on the site. This price is considerably higher than the cost of a normal sidewalk. Therefore, this cost is under review. In addition, the cost of these sidewalks should not be included as they are covered in another budget.
- (e) Changes to Other Bid Packages
The changes shown for other bid packages are extras and credits in small amounts.

In addition, the City will be faced with the following additional costs:-

1. Construction Management Fee

When we received proposals for the construction management for this project, we specified that the bidder provide for a period of 22 months in order that all bidders would submit their bids on the same basis. I have received a request for an extension of time and additional payment under this contract because the completion of the project will be delayed from the original schedule. This delay

Cont'd.....

Mr. Chairman and Members
Board of Control
Cont'd.....

has been caused by the discussions respecting the contract documents (March 6, 1978 to May 1, 1978) and due to the carpenters' strike (20 July 1978 to 7 September 1978). The details of this claim are contained in a letter dated 2 April 1979 from Pigott Construction Co. Ltd. (copy attached). The amount of this claim is \$61,767.00.

2. Site Services

I have received a report from Pigott Construction Ltd. that they anticipate additional costs, in the amount of \$67,400.00, for site services such as heating, snow clearing and other miscellaneous expenses. These additional costs are the result of the delays encountered by the discussions respecting the contract document and the carpenters' strike.

3. Structural Engineering Services

Some time ago, I was approached by the architect with a recommendation that the services of a structural engineer be provided during the construction of the structure. I reviewed this and in the case of reinforced concrete structure it is common practice to have the steel and formwork inspected by a structural engineer before and during the pouring of concrete. I agreed with this recommendation and I now present it to you for approval for payment at a cost of \$20,000.00 estimated.

4. Other Charges

We have made an allowance of \$5,000.00 for future costs that the City may encounter.

As seen above, if all the change notices that have been issued are approved, the cost will exceed the approved budget by \$397,471.24. However, as indicated above, it would appear to me that all these costs will not be approved. I would estimate that about \$350,000.00 is required. In addition, an allowance should be made for other change notices that have to be issued. I would suggest that a further \$150,000.00 be provided, making a total overrun of \$500,000.00

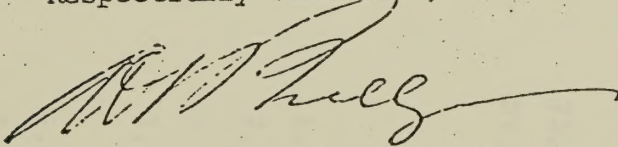
It is imperative that this project continue and that the following be approved:

Mr. Chairman and Members
Board of Control
Cont'd.....

Recommendation

1. That the approved budget for this project be increased by \$500,000.00 which will increase the total cost from \$11,712,000.00 to \$12,212,000.00.
2. That the contract for construction management in favour of Pigott Construction Limited be increased from \$379,992.00 to \$441,759.00, an increase of \$61,767.00.
3. That the cost of the site work to be done by Pigott Construction Ltd. be increased by \$67,400.00.
4. That a purchase order be issued to Omen Lee & Associates Limited in the amount of \$20,000.00 to cover the cost of site work relating to the construction of the concrete superstructure.
5. That the Change Order No. 7 for bid package No. 5 in favour of Goodram Bros. Ltd. in the amount of \$118,774.43 be approved as outlined in a separate report.
6. That Change Order No. 8 for bid package No. 6 in favour of Comstock International Ltd. in the amount of \$47,520.75 be approved as outlined in a separate report.
7. That your Board recommend the method of financing.

Respectfully submitted,



City Engineer and
Co-ordinator, Lloyd D. Jackson Square.

WLP:js
Attach.

c.c.:--Controller R. Morrow

HAMILTON CENTRAL LIBRARY AND FARMERS' MARKET - WORKING BUDGET (as of August 16, 1979)

CONTRACT NO.	BID PACKAGE	DESCRIPTION	BUDGET	LOW TENDER	NET AMOUNT OF CHANGE ORDERS APPR'D.	NET AMOUNT OF CHANGE ORDERS APP'D.	REVISED CONTRACT PRICE
E-77-20(LM)	1	Excavation	\$ 210,000	\$ 141,201	\$ 2,224.87		\$ 138,976.13
E-78-1(LM)	2	Footings	238,000	238,542		\$ 3,805.92	242,347.92
E-78-6(LM)	3	Substructure	600,000	610,900		3,569.00	614,469.00
E-78-7 (LM)	4	Conduit System	10,000	7,498	105.00		7,393.00
E-78-10(LM)	5	Mechanical	2,293,000	2,535,000	141,099.54		2,393,900.46
E-78-11(LM)	6	Electrical	1,150,000	1,345,667	53,182.00		1,292,485.00
E-78-12(LM)	7	Elevators	434,000	450,315	55,535.00		394,780.00
E-78-37(LM)	8	Conveyor	30,000	18,339			18,339.00
E-78-13 (LM)	9 & 11	Superstructure & Structural Steel	2,100,000	2,455,000		45,832.62	2,500,832.62
E-78-14(LM)	13	Roofing	115,000	209,770	73,597.00		136,173.00
E-78-38(LM)	14	Exterior Wall Panels	224,000	167,600	27,198.00		140,402.00
E-78-25(LM)	15 & 16	Aluminium Windows & Doors	442,000	798,213		533.00	798,746.00
E-78-27(LM)	18	Masonry	42,000	103,740	380.20		103,359.80
E-78-28(LM)	19	Hollow Metal Doors	29,000	45,996		10,410.00	56,406.00
E-78-39(LM)	20	Hardware	54,000	44,519	1,095.00		43,424.00
E-78-29(LM)	21 & 10	Misc. Metal Work	172,000	224,000	2,153.00		221,847.00
E-78-30(LM)	22	Tunnel	226,000	238,144			238,144.00
E-78-32(LM)	24	Interior Glazing	15,000	49,295	1,788.88		47,506.12
E-78-33(LM)	25	Overhead Doors	23,000	18,632			18,632.00
E-78-34(LM)	26	Plastering, Drywall	160,000	233,000	2,468.00		230,532.00
E-78-35(LM)	27	Coffered Ceiling	132,000	53,040	7,911.50		45,128.50
E-78-40(LM)	28 & 35	Quarry, Vinyl Tile	87,000	65,900			65,900.00
E-78-41(LM)	29	Painting	105,000	108,960			7,525.00
E-78-41(LM)	30A	Room Accessories	9,000	7,849			1,575.00
							9,424.00

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SEP 10 1979

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Schedule I

CONTRACT NO.	BID PACKAGE	DESCRIPTION	BUDGET	LOW TENDER	NET AMOUNT OF CHANGE ORDERS APP'D.	NET AMOUNT OF CHANGE ORDERS APP'D EXTRA	REVISED CONTRACT PRICE
E-78-41 (LM)	30B	Wardrobe Accessories	\$ 3,000	\$ 695			695.00
E-78-41 (LM)	30C	Rolling Shutters	8,000	6,529			6,529.00
E-78-41 (LM)	30D	Exp. Joint Covers,					
		Foot Grille	3,000	2,422			2,422.00
E-78-42 (LM)	32	Refinished Cabinet Work	55,000	193,865	7,867.00		185,998.00
E-78-43 (LM)	33,17 & 31	Hollow Metal Doors (Install)	57,000	94,873		54,502.20	149,375.20
E-78-44 (LM)	34	Carpeting	193,000	216,645		186.22	216,831.22
E-78-46A (LM)	36A	Flag Pole	900	1,320			1,320.00
E-78-46B (LM)	36B	Toilet Compartments	5,900	11,713			11,713.00
E-78-46C (LM)	36C	Folding Partitions	28,000	16,500			16,500.00
E-78-46D (LM)	36D	Security Grilles	2,500	29,951			29,951.00
E-78-46E (LM)	36E	Ext. Sign Letters	4,000	1,484.50			1,484.50
E-78-46F (LM)	36F	Chalkboards & Tackboards	1,700	1,950			1,950.00
E-78-47 (LM)	37	Misc. Concrete	48,000	158,031	651.34		157,379.66
E-78-48 (LM)	38	Caulking	4,000	5,470			5,470.00
			\$ 9,314,000	\$10,912,568.50	\$377,256.33	\$127,938.96	\$10,663,251.13

Allowances

Landscaping	30,000
Final Cleaning	15,000
Contingency (including allowance for B.P.#12 and #23)	301,000

DESCRIPTION	BUDGET	TENDER	NET AM'T.OF		NET AM'T.		REVISED CONTRACT PRICE
			CHANGE ORDERS APPROVED CREDIT	APPROVED	CHANGE ORDERS APPROVED EXTRA	APPROVED	
Construction Mgt. (including 50% Bond on Mgt. Fee	\$ 379,992	\$ 379,992.00				\$ 379,992.00	
Construction Mgt. Site Work	208,240	208,240.00				208,240.00	
City Site Work including:	141,760						
-Testing & Inspection							
Trow		29,000.00				29,000.00	
Environmental Control		28,800.00				28,800.00	
Westinghouse		3,890.00				3,890.00	
Roofing Inspection		1,000.00				1,000.00	
-Security		54,000.00				54,000.00	
-Insurance		78,742.07				78,742.07	
-Permits		47,060.00				47,060.00	
-Other Charges including Office Supplies, salaries for project		21,520.87				21,520.87	
Additional Funds Approved by the City	1,222,000						
	\$11,612,000.00	\$11,764,813.44	\$377,256.33	\$127,938.96	\$ 11,515,496.07		

Net Underrun: \$96,503.93

HAMILTON CENTRAL LIBRARY AND FARMERS' MARKET - WORKING BUDGET (WITH CHANGE ORDERS NOT APPROVED)

Schedule II

CONTRACT NO.	BID PACKAGE	DESCRIPTION	BUDGET	LOW TENDER		NET AMOUNT OF CHANGE ORDERS APPROVED		NET AMOUNT OF CHANGE ORDERS NOT APPROVED		REVISED CONTRACT PRICE	
E-77-20(LM)	1	Excavation	\$ 210,000	\$ 141,201	\$ 2,224.87 CR*		\$ 138,976.13				
E-78-1(LM)	2	Footings	238,000	238,542	3,805.92		242,347.92				
E-78-6(LM)	3	Substructure	600,000	610,900	3,569.00		614,469.00				
E-78-7(LM)	4	Conduit System	10,000	7,498	105.00 CR		7,393.00				
E-78-10(LM)	5 & 31	Mechanical	2,293,000	2,535,000	141,099.54 CR	167,304.67	2,561,205.13				
E-78-11(LM)	6	Electrical	1,150,000	1,345,667	53,182.00 CR	69,249.75	1,361,734.75				
E-78-12(LM)	7	Elevators	434,000	450,315	55,535.00 CR		394,780.00				
E-78-37(LM)	8	Conveyor	30,000	18,339			18,339.00				
E-78-13(LM)	9 & 11	Superstructure & Structural Steel	2,100,000	2,455,000	45,832.62	687.60 CR	2,500,145.02				
E-78-14(LM)	13	Roofing	115,000	209,770	73,597.00 CR		136,173.00				
E-78-38(LM)	14	Exterior Wall Panels	224,000	167,600	27,198.00 CR		140,402.00				
E-78-25(LM)	15 & 16	Aluminium Windows & Doors	442,000	798,213	533.00		798,746.00				
E-78-27(LM)	18	Masonry	42,000	103,740	380.20 CR		103,359.80				
E-78-28(LM)	19	Hollow Metal Doors	29,000	45,996	10,410.00	730.00	57,136.00				
E-78-39(LM)	20	Hardware	54,000	44,519	1,095.00 CR	727.33	44,151.33				
E-78-29(LM)	21 & 10	Misc. Metal Work	172,000	224,000	2,153.00 CR		221,847.00				
E-78-30(LM)	22	Tunnel	226,000	238,144			238,144.00				
E-78-32(LM)	24	Interior Glazing	15,000	49,295	1,788.88 CR	581.67 CR	46,924.45				
E-78-33(LM)	25	Overhead Doors	23,000	18,632			18,632.00				
E-78-34(LM))	26	Plastering, Drywall	160,000	233,000	2,468.00 CR	414.00 CR	230,118.00				
E-78-35(LM)	27	Coffered Ceiling	132,000	53,040	7,911.50 CR		45,128.50				
E-78-40(LM)	28 & 35	Quarry, Vinyl Tile	87,000	65,900			65,900.00				
E-78-41(LM)	29	Painting	105,000	108,960	7,525.00	145.00 CR	116,340.00				
E-78-41(LM)	30A	Washroom Accessories	9,000	7,849	1,575.00	97.72	9,521.72				

*Note CR indicates Credit

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LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

CONTRACT NO.	BID PACKAGE	DESCRIPTION	BUDGET	LOW TENDER	NET AMOUNT OF CHANGE ORDERS APPROVED	NET AMOUNT OF CHANGE ORDERS NOT APPROVED	REVISED CONTRACT PRICE
E-78-41(LM)	30B	Wardrobe Accessories	\$ 3,000	\$ 695			\$ 695.00
E-78-41(LM)	30C	Rolling Shutters	8,000	6,529			6,529.00
E-78-41(LM)	30D	Exp. Joint Covers, Foot Grille	3,000	2,422			2,422.00
E-78-42(LM)	32	Refinished Cabinet Work	55,000	193,865	7,867.00 CR	1,385.00	187,383.00
E-78-43(LM)	33 631	Hollow Metal Doors (Install)	57,000	94,873	54,502.20	174.00	149,549.20
E-78-44(LM)	34	Carpeting	193,000	216,645	186.22	17,999.75	234,830.97
E-78-46A(LM)	36A	Flag Pole	900	1,320			1,320.00
E-78-46B(LM)	36B	Toilet Compartments	5,900	11,713			11,713.00
E-78-46C(LM)	36C	Folding Partitions	28,000	16,500			16,500.00
E-78-46D(LM)	36D	Security Grilles	2,500	29,951			29,951.00
E-78-46E(LM)	36E	Ext. Sign Letters	4,000	1,484.50			1,484.50
E-78-46F(LM)	36F	Chalkboards & Tackboards	1,700	1,950			1,950.00
E-78-47(LM)	37	Misc. Concrete	48,000	158,031	651.34 CR	38,968.22	196,347.88
E-78-48(LM)	38	Caulking	4,000	5,470			5,470.00
			\$9,314,000	\$10,912,568.50	\$249,317.37CR	\$294,808.17	\$10,958,059.30
<u>Allowances</u>							
		Landscaping	\$ 30,000	\$30,000			\$ 30,000.00
		Final Cleaning	15,000	15,000			15,000.00
		Contingency (Including allowance for B.P. #12 and #23)	301,008				

DESCRIPTION	BUDGET	TENDER	NET AMOUNT OF CHANGE ORDERS APPROVED	NET AMOUNT OF CHANGE ORDERS NOT APPROVED	REVISED CONTRACT PRICE
Construction Mgt. (including 50% Bond for Mgt. Fee)	\$ 379,992	\$ 379,992		\$ 61,767.00	\$ 441,759.00
Construction Mgt. Site Work	208,240	208,240		67,400.00	275,640.00
City Site Work including:	141,760				
-Testing & Inspection		29,000			29,000.00
Trow		28,800			28,800.00
Environmental Control		3,850			3,890.00
Westinghouse		1,000			1,000.00
Roofing Inspection		54,000			54,000.00
-Security		78,742.07			78,742.07
-Insurance		47,060.00			47,060.00
-Permit		21,520.87		5,000.00	26,520.87
-Other Charges including Office Supplies, salaries for project					
Omen Lee				20,000.00	20,000.00
Additional Funds Approved by the City	1,222,000				
	\$ 11,612,000	\$11,809,813.44	\$249,317.37CR	\$448,975.17	\$ 12,009,471.24

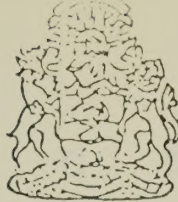
ADDENDUM NO. 2

<u>Bid Package and Brief Description</u>	Amount shown on report of City Eng. dated <u>23 Aug. 1979</u>	<u>Adjustment</u>	<u>Revised Estimated Cost</u>
	\$167,304.67	--	\$167,304.67
1) Bid Package No. 5 (Mechanical) - updating of contract to conform with completed Architectural Drawings plus fine tuning of system.	\$ 69,249.75	--	\$ 69,249.75
2) Bid Package No. 6 (Electrical) - updating of contract to conform with completed Architectural Drawings plus other minor revisions.	\$ 17,999.75	\$14,999.75 (credit)	\$ 3,000.00
3) Bid Package No. 34 (Carpeting) - revise timing of carpeting to provide for drywall work being done before carpeting. This credit is due to negotiations to date with the contractor on the size of the extra being claimed.	\$ 38,968.22	\$32,968.22 (credit)	\$ 6,000.00
4) Bid Package No. 37 (Misc. Concrete) - supply and placement of precast pavers along York Boulevard. The credit reflects the use of regular concrete sidewalks and is only that portion attributable to this budget. The sidewalk on the York Boulevard road allowance is estimated at \$14,000.00 and will be financed from the general budget for Lloyd D. Jackson Square which is shareable with the Provincial and Federal Governments.	\$ 61,767.00	--	\$ 61,767.00
5) Construction Management Fee - This is an extension to the original 22 month contract and is due to delays relating to the contract documents and the carpenters' strike.	\$ 67,400.00	--	\$ 67,400.00
6) Site Services - This is for additional costs, such as heating and snow clearing and are due to the delays relating to the contract documents and the carpenters' strike.			

Continued.....

<u>Package and Brief Description</u>	<u>Amount shown on report of City Eng. dated 23 Aug. 1979</u>	<u>Adjustment</u>	<u>Revised Estimated Cost</u>
1) Structural Engineering Services - This is for inspection of steel and formwork before and during concrete pours. The extra is a correction to the report of the City Engineer dated 23 August 1979.	\$ 20,000.00	\$ 5,000.00 (extra)	\$ 25,000.00
2) Other charges. These relate to office supplies and distributable salaries for the project as required by the City Engineer.	\$ 5,000.00	--	\$ 5,000.00
9) Miscellaneous Bid Package Changes - These are minor changes which require credits or extra contract changes.	\$ 1,285.78	--	\$ 1,285.78

10 September 1979
 jlb



ADDENDUM N^o 3

W. H. McFARLAND, A.P.A., R.I.A.
COMMISSIONER OF FINANCE
AND TREASURER
E. C. MATTHEWS, B.A., C.A.
DIRECTOR OF FINANCE
L. W. SELBY, B.Sc. (MATH), M.B.A.
DIRECTOR OF SYSTEMS AND
DATA PROCESSING

THE CORPORATION OF THE CITY OF HAMILTON
TREASURY

CITY HALL
HAMILTON, ONTARIO
L8N 3T4
TEL. 527-0041

September 7, 1979

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SEP 10 1979

Controller R. Morrow
Second Floor
City Hall

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Dear Controller Morrow

Further to our meetings of Tuesday, September 4th and Friday, September 7th, I am forwarding you the following information as to a proposed method of financing the estimated increased cost of constructing the Hamilton Public Library and Farmers Market.

From the attached statement you will note the original authorized cost of \$11,712,000 is anticipated to increase by \$600,000 to \$12,312,000. If it is the intention of the Board of Control to recommend this additional amount to City Council, I would suggest that financing be arranged in the following manner.

RECOMMENDATION

1. That the City Solicitor make application to the Ontario Municipal Board for authority to finance the increased cost of \$600,000 by the issuance of debentures.
2. That the Contingency as contained in the Capital Budget for projects to be financed by debentures be reduced by \$600,000, and that the provision for the construction of the Public Library and Farmers Market be increased by \$600,000.

For the information of the Board this will leave a balance of \$113,000 in the Contingency Account for projects to be financed by the issuance of debentures.

Yours very truly

W. H. McFarland

W. H. McFarland
Treasurer and Commissioner of Finance

WMcF/pp

Enc.

c.c. - Controller J. Bethune
- Mr. W. L. Phillips, City Engineer

City of Hamilton
Treasury

MAIN HAMILTON PUBLIC LIBRARY AND FARMERS' MARKET
ESTIMATED CONSTRUCTION COSTS

<u>Capital Budget</u>		<u>Description</u>	<u>Present Estimate</u>	<u>Estimated Increase</u>	<u>Revised Estimate</u>
<u>Page Number</u>	<u>Project Number</u>				
21	23400-B	Main Hamilton Public Library - Construction	9,349,000	600,000	9,949,000
21	23400-D	Main Hamilton Public Library - Internal Road System	676,000		676,000
23	26407-A	The Farmers' Market - Construction	1,632,000		1,632,000
23	26407-B	The Farmers' Market - Internal Road System	55,000		55,000
Total Construction			11,712,000 *	600,000	12,312,000

* Approved by City Council and/or Ontario Municipal Board.

September 7, 1979
WMEF/ac

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SEP 10 1979
LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON



ADDENDUM N T

McFARLAND, A.P.A., R.I.A.
COMMISSIONER OF FINANCE
AND TREASURER
MATTHEWS, B.A., C.A.
DIRECTOR OF FINANCE
ELBY, B.SC. (MATH), M.B.A.
DIRECTOR OF SYSTEMS AND
DATA PROCESSING

THE CORPORATION OF THE CITY OF HAMILTON
TREASURY

CITY HALL
HAMILTON, ONTARIO
L8N 3T4
TEL. 527-0241

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SEP 10 1979

September 7, 1979

Controller R. Morrow
Second Floor, City Hall

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Dear Controller Morrow

At the meetings of September 4th and 7th, discussion took place on the additional amount required - \$600,000 - to complete construction of the Main Hamilton Public Library and Farmers Market.

I indicated to the Committee that Mr. W. Phillips and I had had discussions with representatives of the Library and been advised that some of the other projects related to this project may have to be revised. For your information I am attaching a statement indicating the other projects contained in the Capital Budget which are associated with the Main Hamilton Public Library, which discloses that there is a possibility an additional \$450,000 in total, may be required for the completion of these projects.

I should advise you that the provisions made for the two projects which show major increases were considerably less than was originally requested. The Circulation System was originally estimated to cost \$500,000, and the Capital Budget Committee made a provision of \$200,000, awaiting a study to determine whether this System could be installed on the City computer. This report has not been finalized but there is a possibility a recommendation may be forthcoming to revert back to the original idea.

In connection with the Equipment, the original request was for \$600,000 which was reduced to \$225,000 by the Capital Budget Committee. The additional \$100,000 being contemplated at this time relates basically to a telephone installation which Mr. Phillips is conversant with.

While these amounts are not finalized, I thought it advisable for you, the Board of Control and Council Members to be aware that funds may be required in addition to the amount required to complete the construction of the building.

Yours very truly

W. H. McFarland
W. H. McFarland

Treasurer and Commissioner of Finance

WMcF/pp

Enc.

c.c. - Controller J. Bethune
- Mr. W. L. Phillips, City Engineer

City of Hamilton
Treasury

STATEMENT OF PROJECTS CONTAINED IN THE CAPITAL BUDGET ASSOCIATED
WITH THE MAIN HAMILTON PUBLIC LIBRARY AND FARMERS' MARKET

Capital Budget Page Number	Project Number	Description	Present Estimate	Estimated Increase	Possible Revised Estimate
21	23400-A	Main Hamilton Public Library - Design Fees	682,000		682,000
23	26407	The Farmers' Market - Design Fees	121,000		121,000
21	28405	Main Hamilton Public Library - Consultant Fees	90,000	5,000	95,000
23	30407	The Farmers' Market - Installation of Refrigeration Units	125,000		125,000
			1,018,000 *	5,000	1,023,000
21	23400-B	Main Hamilton Public Library - Furniture and Shelving	930,000		930,000
21	28406	Hamilton Public Library - Circulation System	200,000	300,000	500,000
21	28408	Main Hamilton Public Library - Moving Costs	130,000		130,000
22	28409	Main Hamilton Public Library - Equipment	225,000	100,000	325,000
22	30254	Main Hamilton Public Library - Book Hoist	100,000	50,000	150,000
			1,585,000 **	450,000	2,035,000
			2,603,000	455,000	3,058,000

* Approved by City Council and/or Ontario Municipal Board.
** Not Authorized by City Council to Proceed to Date.

September 7, 1979

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SEP 10 1979
LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

ADDENDUM N^o 5

RECEIVED

SEP 10 1979

4 September 1979

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTONMemorandum to: Controller R. M. Morrow
Controller J. A. BethuneRe: The Use of Technical Bulletins for Expediting
Works - Hamilton Central Library/Market

Dear Sirs:

A. Bid Package No. 5 (Mechanical)

Change Notice No. 5 to this bid package was prepared and on 21 December 1978 it was issued to Goodram Bros. (the contractor) for pricing.

Shortly after this date the Construction Manager requested permission to proceed with some of this work. If he could not proceed, the work would be delayed with additional cost. On 8 January 1979, a Technical Bulletin was issued for up to \$17,000.00 worth of work as described in the Change Notice. Later on 3 May 1979 a further Technical Bulletin was issued for \$40,000.00. This brought the total authorized to \$57,000.00.

The contractor submitted his price to the Construction Manager on 23 April 1979. These prices were checked by the architect and construction manager. A request for a change order was submitted to the City on 16 July 1979.

B. Bid Package No. 6 (Electrical)

Change Notice 7 and 7A to this Bid Package were issued on 26 January 1979 and 2 April 1979, respectively, to Comstock International (the contractor) for pricing. On 3 May 1979, a Technical Bulletin was issued for up to \$20,000 worth of works, as described in the two above-noted Change Notices.

Continued.....

Review

The latest in several overruns in the project was announced in an 11-page report prepared by Bill Phillips, city engineer and Lloyd D. Jackson Square project co-ordinator. It was given to board of control Aug. 27.

The report said the project was \$350,000 over budget and expected to run at least another \$150,000 over before completion in May next year.

Mr. Bethune and Mr. Morrow were appointed by board of control to review the findings. They reported back to board of control yesterday.

The controllers concluded that the present \$150,000 contingency fund should be increased by an additional \$100,000 for a new total budget of \$12,109,471.24. The originally budget approved by city council was \$10 million.

B. Bid Package No. 6 (Electrical) Cont'd.....

The Contractor originally submitted prices on 30 April, 1979, for the works outlined in the appropriate Change Notices.

The Architect and Construction Manager reviewed the prices and concluded that they were excessive.

However, in order not to hold up work on the site in these and many of the other trades, it was deemed that the work in these Change Notices had to proceed. The alternative of delays, which lead to more costs, was not seen as acceptable.

Accordingly, Technical Bulletins were issued for a portion of the anticipated costs of this work so that work could continue on site.

It was not possible, at that time, to have a Change Order approved and issued as the dollar value of the proposed works was not finalized.

A request for a Change Order was submitted to the City on 16 July 1979.

C. General

We point out that, at the time of issuance of the Technical Bulletins, we were not aware of the possibility of a budget overrun.

It was decided to go along with these Technical Bulletins as we were advised that the review of the prices was near completion and a Change Order could be issued shortly thereafter.

This process consumed much more time than we expected.

We suggest that the issuance of Technical Bulletins for this project be discouraged. However, should it be necessary to provide a Technical Bulletin, it should have to be approved by the Board of Control prior to being issued. This will enable the Board to regulate, authorize and be aware of these bulletins and the circumstances that make them necessary.

Yours very truly,

City Engineer and
Co-ordinator, Lloyd D. Jackson Square.

DH:jb

Review

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K.A. ROUFF
CITY SOLICITOR

SOLICITORS:
W.M. McCULLOCH
P.M. EKER
D.R. VICKERS
P.R.A. HOOKER
D.A. POWERS
A.K. MEEMA



THE CORPORATION OF THE CITY OF HAMILTON

OFFICE OF THE CITY SOLICITOR

YOUR FILE NO.

REPLY ATTENTION: -80

OUR FILE NOS

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CITY HALL
HAMILTON, ONTARIO
L8N 3T4

TEL. 527-0241

September 10, 1979

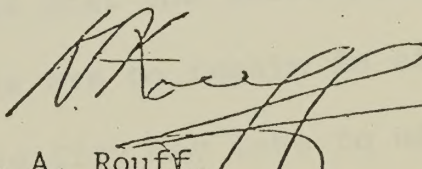
Chairman and Members,
Board of Control.

Members of the Board,

Re: Library and Farmers' Market Project -
Cost Overrun

In accordance with your instructions of this morning, I am submitting herewith two draft letters, one to Pigott Structures Company Limited, the Construction Manager of the project herein, and the other to Mr. Anthony Butler, Architect.

Yours truly,


K. A. Rouff,
City Solicitor.

KAR:JD

c.c. Controller P. Valeriano
Mr. W. H. McFarland, City Treasurer
Mr. W. L. Phillips, City Engineer

Encs.

Review

The latest in several overruns in the project was announced in an 11-page report prepared by Bill Phillips, city engineer and Lloyd D. Jackson Square project co-ordinator. It was given to board of control Aug. 27.

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Mr. Bethune and Mr. Morrow were appointed by board of control to review the findings. They reported back to board of control yesterday.

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_D_R_A_F_T_

Pigott Structures Company Limited,
36 James Street South,
Hamilton, Ontario.
L8P 2Y2

Attention: Mr. V. Catchick

Dear Mr. Catchick,

Re: Library and Farmers' Market Project -
Cost Overrun

The Board of Control has instructed me to inform you that the City is hereby reserving all its rights to claim for reimbursement and damages from all parties having responsibility for the costs incurred to date in the construction of this project over and above the amount for which it was budgeted and approved by City Council:

Please further be advised that the above reservations with respect to the City's rights are to remain in effect notwithstanding such steps as the City may take to mitigate damages brought about by the cost overrun in the construction of this project.

The Board has also instructed me to request that you immediately submit a comprehensive and detailed report as to how this most recent cost overrun arose above the amount budgeted and approved by Council.

Yours truly,

Secretary,
Board of Control

c.c. Mr. W. H. McFarland, City Treasurer
Mr. W. L. Phillips, City Engineer
Mr. K. A. Rouff, City Solicitor

Review

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Mr. Bethune and Mr. Morrow were appointed by board of control to review the findings. They reported back to board of control yesterday.

The controllers concluded that the present \$150,000 contingency fund should be increased by an additional \$100,000 for a new total budget of \$12,109,471.24. The originally budget approved by city council was \$10 million.

Mr. Anthony Butler,
Architect,
11 Dundurn Street North,
Hamilton, Ontario.
L8R 3C8

Dear Mr. Butler,

Re: Library and Farmers' Market Project -
Cost Overrun

The Board of Control has instructed me to inform you that the City is hereby reserving all its rights to claim for reimbursement and damages from all parties having responsibility for the costs incurred to date in the construction of this project over and above the amount for which it was budgeted and approved by City Council.

Please further be advised that the above reservations with respect to the City's rights are to remain in effect notwithstanding such steps as the City may take to mitigate damages brought about by the cost overrun in the construction of this project.

The Board has also instructed me to request that you immediately submit a comprehensive and detailed report as to how this most recent cost overrun arose above the amount budgeted and approved by Council.

Yours truly,

Secretary,
Board of Control

c.c. Mr. W. H. McFarland, City Treasurer
Mr. W. L. Phillips, City Engineer
Mr. K. A. Rouff, City Solicitor

Review

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Mr. Bethune and Mr. Morrow were appointed by board of control to review the findings. They reported back to board of control yesterday.

The controllers concluded that the present \$150,000 contingency fund should be increased by an additional \$100,000 for a new total budget of \$12,109,471.24. The originally budget approved by city council was \$10 million.

Rec'd Sept 20/79
A.H.7 P.M.
K.K.

10 September 1979

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SEP 11 1979

Chairman and Members
Board of Control

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Gentlemen:

Re: Hamilton Central Library and Farmers' Market

At the Board Meeting this morning, I was requested to review the letter prepared by Mr. Rouff dated 7 September 1979, and to provide my comments by 5:00 p.m. today. The following points respond to the questions and comments in Mr. Rouff's letter, found in Section III. We have numbered the questions for convenience.

1. Why must the mechanical works be updated to conform with the architectural drawings?

In his letter to you dated 17 August 1979, Mr. Phillips explained that it was necessary to update the mechanical work, the contract for which was awarded in the spring of 1978, to conform with the architectural drawings which were completed in November 1978. As I explained to you in my letter of 7 September 1979, it is an inherent characteristic of the sequential tendering process used with construction management that changes will be required for work specified in one bid package which is not compatible with the work of other bid packages issued later.

The standard Change Notice/Change Order procedure which is being followed on this project ensures that no changes are made on the site until a Change Order is issued with the approval of Board of Control and Council.

2. How is the \$118,774.43 made up?

(a) The Change Notices, upon which the contractor's quotations are based, give the detail of the work included. When the contractor's quotation is received, an itemized statement is required and reviewed thoroughly by ourselves and our consulting engineers, prior to our recommending to Mr. Phillips that a Change Order should be issued.

(b) Mr. Rouff also questions why the mechanical work for the tunnel was not included in the tunnel bid package. At the time of going to tender with the documents for Bid Package 5 (Mechanical), the proposed tunnel design had not been accepted by Yale Properties. It was subsequently recommended by us, and accepted by Mr. Phillips, that the mechanical work in connection with the tunnel should be made the responsibility of the Bid Package 5 contractor by Change Notice and Change Order. The alternative, to include the tunnel mechanical work

..... 2

Anthony Butler Architect
11 Dundurn Street North, Hamilton

Review

The latest in several overruns in the project was announced in an 11-page report prepared by Bill Phillips, city engineer and Lloyd D. Jackson Square project co-ordinator. It was given to board of control Aug. 27.

The report said the project was \$350,000 overbudget and expected to run at least another \$150,000 over before completion in May next year.

Mr. Bethune and Mr. Morrow were appointed by board of control to review the findings. They reported back to board of control yesterday.

The controllers concluded that the present \$150,000 contingency fund should be increased by an additional \$100,000 for a new total budget of \$12,109,471.24. The originally budget approved by city council was \$10 million.

Chairman and Members
Board of Control
10 September 1979

..... 2

in the tunnel bid package, might have resulted in a separate mechanical contractor being responsible for that portion of the work, which was not desirable.

3. Why must the electrical work be updated to conform to the architectural drawings?

Our comments are the same as under Item 1 above.

4. Why is the procedure to be changed to have the partitions installed before the carpeting?

A review with the Construction Manager of the sequence of work on the site indicated that it was essential that the procedure should be changed, to avoid delay in completion of the project. As you know, the cost of this change has now been reduced, following negotiations with the bid package contractor, to an extra of \$3,000.00.

5. Should "precast pavers" be included in the estimates for this project?

As you know, the sidewalk construction has been changed, for an extra cost to the project of \$6,000.00.

6. Why was the fee of \$20,000.00 for a structural engineer not included in the budget?

Our agreement with the City provides for the provision of such extra services, if the client agrees. We recommended to Mr. Phillips, in our letter of 16 November 1978, that these extra consulting services should be provided.

7. Cost of project

No comment.

8. Claims arising from "delay".

We recommended to Mr. Phillips that the standard general conditions for ~~the~~ construction contract\$, which are used throughout Canada, should be used for this project. We cannot accept the statement that we are responsible for the time subsequently required to develop special general conditions, different from those normally recognized by the entire construction industry.

9. Questions from 1978 "Over-run".

No comment.

Yours very truly,

Anthony Butler

Butler
Review

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MAYOR
JOHN A. MACDONALD
CONTROLLERS
ROBERT M. MORROW, B.A., A.R.C.T.
VINCE AGRO, B.A.
PAT VALERIANO, G.J.
JAMES A. BETHUNE, B.A.



BOARD OF CONTROL
HAMILTON, ONTARIO

J. R. JONES
SECRETARY
R. M. COLLIER
ASST. SECRETARY

CITY HALL
LBN 3T4

September 10, 1979

REGISTERED POST

Pigott Structures Company Limited,
36 James Street South,
Hamilton, Ontario.
L8P 2Y2.

RECEIVED

SEP 12 1979

ADMIN. DEPARTMENT
CITY OF HAMILTON

ATTENTION: Mr. V. Catchick

Dear Mr. Catchick:

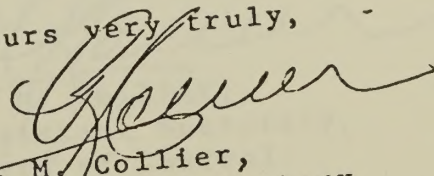
Re: Library and Farmers' Market
Project - Cost Overrun

The Board of Control has instructed me to inform you that the City is hereby reserving all its rights to claim for reimbursement and damages from all parties having responsibility for the cost incurred to date in the construction of this project over and above the amount for which it was budgeted and approved by City Council.

Please further be advised that the above reservations with respect to the City's rights are to remain in effect notwithstanding such steps as the City may take to mitigate damages brought about by the cost overrun in the construction of this project.

The Board has also instructed me to request that you immediately submit a comprehensive and detailed report as to how this most recent cost overrun arose about the amount budgeted and approved by Council.

Yours very truly,


R. M. Collier,
Assistant Secretary,
Board of Control.

RMC:bc

c.c. Mr. W. H. McFarland, City Treasurer
Mr. W. L. Phillips, City Engineer
Mr. K. A. Rouff, City Solicitor. ✓

Review

The latest in several overruns in the project was announced in an 11-page report prepared by Bill Phillips, city engineer and Lloyd D. Jackson Square project co-ordinator. It was given to board of control Aug. 27.

The report said the project was \$350,000 overbudget and expected to run at least another \$150,000 over before completion in May next year.

Mr. Bethune and Mr. Morrow were appointed by board of control to review the findings. They reported back to board of control yesterday.

The controllers concluded that the present \$150,000 contingency fund should be increased by an additional \$100,000 for a new total budget of \$12,109,471.24. The originally budget approved by city council was \$10 million.

MAYOR
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CONTROLLERS
ROBERT M. MORROW, B.A., A.R.C.T.
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J. R. JONES
SECRETARY
R. M. COLLIER
ASST. SECRETARY

CITY HALL
L8N 3T4

BOARD OF CONTROL
HAMILTON, ONTARIO

September 10, 1979

REGISTERED POST

Mr. Anthony Butler,
Architect,
11 Dundurn Street North,
Hamilton, Ontario.
L8R 3C8.

Dear Mr. Butler:

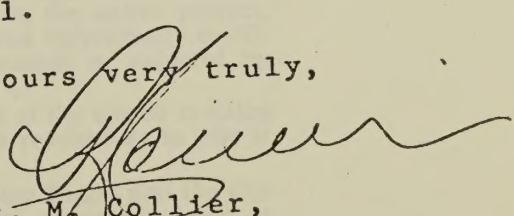
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c.c. Mr. W. H. McFarland, City Treasurer ✓
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Controllers pour \$600,000 more into library-market

By JUDY NYMAN
Spectator Staff

CITY CONTROLLERS agreed yesterday to pour another \$600,000 into the library-market complex upping the project's cost by \$2.1 million over what the city budgeted for in 1975.

Board of control did not place the blame on anyone but one controller claims he has narrowed it down.

Controller Pat Valeriano said the architect or the construction management company could be responsible for the cost overrun.

Mr. Valeriano said the project-management system being used to build the complex is partially to blame for the overrun.

"But there is a chance that perhaps one of them (Anthony Butler, the architect, or Pigott Construction Company Ltd., the construction manager) made a mistake but we're not sure. The city's legal department is looking at that right now," he said.

Closed

Mr. Valeriano said that as far as he is concerned the "city staff is not on the firing line."

Under the project-management system, instead of having a general contractor bid on the entire project, sections of the project are tendered individually to different contractors which are accepted or rejected by the city.

Mayor Jack MacDonald came out of the closed meeting last night, saying no decision was reached as to who is to blame for the overrun.

Mr. Butler, a representative from Pigott and the city solicitor all declined to comment about who was at fault.

The meeting, which concluded a full day of discussions on the issue, ended with board of control agreeing, subject to approval from city council and the Ontario Municipal Board, to provide the \$600,000 needed to complete the project.

The extra money will be raised through the issuance of city debentures which have to be approved by the OMB. The mayor anticipated an OMB hearing, which would take place in Hamilton, would be held within two weeks.

The matter goes to city council tonight.

Mr. Valeriano said by proceeding with the project immediately, the city won't be prejudiced in any lawsuits it might decide to launch "because there are reserve clauses in the contracts so that if we find Butler or Pigott are responsible we have recourse."

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Controllers pour 200,000 more into library-market

IN THE STATE
OF CALIFORNIA

THE STATE OF CALIFORNIA, COUNTY OF []
do hereby certify that the within and foregoing is a true and correct copy of the original as the same appears from the records of the County of []
this [] day of [] 19[]

CLERK

THE STATE OF CALIFORNIA, COUNTY OF []
do hereby certify that the within and foregoing is a true and correct copy of the original as the same appears from the records of the County of []
this [] day of [] 19[]

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CLERK

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CLERK

THE STATE OF CALIFORNIA, COUNTY OF []
do hereby certify that the within and foregoing is a true and correct copy of the original as the same appears from the records of the County of []
this [] day of [] 19[]

E. A. SIMPSON
CITY CLERK
K. E. AVERY
DEPUTY CITY CLERK



CITY HALL
HAMILTON, ONTARIO
L8N 3T4
TEL. 527-0241

THE CORPORATION OF THE CITY OF HAMILTON

OFFICE OF THE CITY CLERK

September 12, 1979

RECEIVED

SEP 12 1979

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Mr. K. A. Rouff
City Solicitor

I am forwarding herewith for your information and attention a copy of Sections 14 and 15 of the 41st Report of the Board of Control dealing with an increase in the total cost of the Library and Farmers' Market project adopted by City Council at its meeting held September 11, 1979.

E. A. Simpson
City Clerk

EAS:JDT/lm

Attch.

ment system and I don't see any blame in the architect or the construction management company," he said.

Controller Pat Valeriano claimed Monday that architect Anthony Butler or Pigott Construction Company Ltd., the management company, could be responsible.

Controllers Jim Bethune and Bob Morrow, who spent 10 days investigating the overrun, said

that tender early have to be revised to co-ordinate with work commissioned later.

"Ideally the system is designed to save money because it allows the project to begin before all tenders are in."

Mayor Jack MacDonald, who favored the system, said he'd never again recommend it be used in Hamilton.

contractors to do things at your cost. The convention centre, for example, came in \$2 million under our estimates," he said.

The money saved on other contracts, however, cannot be used to cover the cost of the library-market because that amount must be raised through city debentures approved by the Ontario Municipal Board.



THE COMMONWEALTH OF MASSACHUSETTS
OFFICE OF THE ATTORNEY GENERAL

September 15, 1977

Mr. [Name]
[Address]
[City, State, Zip]

Dear Mr. [Name]:

I am pleased to inform you that your application for a license to practice law in the Commonwealth of Massachusetts has been received and is being processed. The Board of Bar Examiners will be reviewing your application and will notify you of the results of their examination. If you are successful, you will be eligible to take the bar examination. Please keep me advised of any changes in your address.

[Signature]

Sincerely,
[Name]

Enclosed for you are two copies of the Rules of Professional Conduct for the Commonwealth of Massachusetts. These rules are designed to ensure the highest quality of legal services to the public. Please read these rules carefully and let me know if you have any questions. I am confident that you will find them to be a valuable guide in your practice.

Very truly yours,
[Name]
Attorney General

Enclosed for you are two copies of the Rules of Professional Conduct for the Commonwealth of Massachusetts. These rules are designed to ensure the highest quality of legal services to the public. Please read these rules carefully and let me know if you have any questions. I am confident that you will find them to be a valuable guide in your practice.

14. That an additional \$600,000.00 be approved for the Library & Farmers' Market Project and that the City Solicitor be authorized and directed to make application to the Ontario Municipal Board for authority to increase the total cost of this project by \$600,000.00 and to increase the authority to issue twenty-year debentures in the amount of \$600,000.00.

15. In accordance with Section 14 of the Forty-first Report of the Board of Control, respecting the increased cost of the Library & Farmers' Market Project, the following is recommended:-

- (a) That the contract for construction management in favour of Pigott Construction Limited be increased from \$379,992.00 to \$441,759.00, an increase of \$61,767.00.
- (b) That the cost of the site work to be done by Pigott Construction Limited be increased by \$67,400.00.
- (c) That a purchase order be issued to Owen Lee & Associates Limited, in the amount of \$25,000.00, to cover the cost of site work relating to the construction of the concrete superstructure.
- (d) That the Change Order No. 7, for Bid Package No. 5, in favour of Goodram Bros. Ltd., in the amount of \$118,774.43, be approved as outlined in a separate report.
- (e) That Change Order No. 8, for Bid Package No. 6, in favour of Comstock International Ltd., in the amount of \$47,520.75, be approved as outlined in a separate report.
- (f) That a procedure be established under City Contracts to provide for Technical Bulletins where work must proceed before a formal Change Order can be prepared and approved.
- (g) That the Board of Control be authorized to appoint a working committee to oversee the day-to-day activities associated with the construction of the Library-Farmers Market, and through which all changes in the project must be processed with changes authorized by the working committee to be reported to the Board of Control as soon as possible thereafter.
- (h) That Mr. A. Butler, Architect for the project, and Pigott Construction Ltd., Construction Managers, be requested to provide written responses to questions as outlined in a letter from the City Solicitor dated September 7, 1979, and to submit a comprehensive and detailed report as outlined in the draft letter attached to a letter from the City Solicitor dated September 10, 1979, a copy of which is submitted with this agenda.
- (i) That all recommendations respecting an increase in the cost of this project be subject to the City of Hamilton reserving all rights to claim for reimbursement and damages from all parties having responsibility for this latest increase in the cost of the construction of this project over and above the amount budgeted and approved by City Council; and

The reservations of the City's rights is to remain in effect, notwithstanding any steps that the City may take:

(i) to mitigate damages brought about by the cost over-runs

(ii) to complete the project without delay.

For the information of the Members of City Council, submitted with this agenda is a copy of the report of the Sub-Committee of the Board of Control dated September 10th, 1979.

ment system and I don't see any blame in the architect or the construction management company," he said.

Controller Pat Valeriano claimed Monday that architect Anthony Butler or Pigott Construction Company Ltd., the management company, could be responsible.

Controllers Jim Bethune and Bob Morrow, who spent 10 days investigating the overrun, said

that tender early have to be revised to co-ordinate with work commissioned later.

"Ideally the system is designed to save money because it allows the project to begin before all tenders are in."

Mayor Jack MacDonald, who favored the system, said he'd never again recommend it be used in Hamilton.

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The money saved on other contracts, however, cannot be used to cover the cost of the library-market because that amount must be raised through city debentures approved by the Ontario Municipal Board.

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CONTROLLERS
ROBERT M. MORROW, B.A., A.R.C.T.
VINCE AGIJO, B.A.
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J.R. JONES
SECRETARY
R. M. COLLIER
ASST. SECRETARY
CITY HALL
LBN 3T4

BOARD OF CONTROL
HAMILTON, ONTARIO

September 12, 1979

RECEIVED

SEP 13 1979

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Mr. K. A. Rouff
City Solicitor
Legal Department
City Hall

Dear Mr. Rouff:

Re: Overrun on the Library and Farmer's Market Complex

I am very concerned about the overrun on the above and in my mind there is a possibility that there have been mistakes made by either the Architect or the Project Manager. I would like to know if we have any legal rights in these three (3) areas.

1. Whether in fact we should pay the Project Manager the extra \$61,000.00 that City Council passed last night in view of the fact that we made a special clause in our contract stating that the contractors will not be reimbursed for any claim against losses because of strikes. (refer to the carpenters' strike).
2. You will recall that the Architect, Mr. Butler based his original estimates for the project on the contracts that he claims "all other cities in Canada use". I don't believe that City Council gave him this directive and because of the fact that we lost much time in getting new estimates and consequently prices escalated, if we have any recourse in this regard.
3. The Architect changed the architectural drawings for the final time in November 1978. At that time the mechanical drawings had to be updated to conform with the changes in the architectural drawings. In December of 1978 the Project Manager knew fully of the changes but the increased costs of the mechanical changes did not come to the Architect and to Mr. Phillips until April 1979. At that time Mr. Phillips did not report the increased costs to City Council. In fact only reported to the Board of Control as late as August 28, 1979. During that period I am sure that prices did escalate and I wonder, because of the delays, if we have any legal rights.

...Continued /2

ment system and I don't see any blame in the architect or the construction management company," he said.

Controller Pat Valeriano claimed Monday that architect Anthony Butler or Pigott Construction Company Ltd., the management company, could be responsible.

Controllers Jim Bethune and Bob Morrow, who spent 10 days investigating the overrun, said

that tender early have to be revised to co-ordinate with work commissioned later.

"Ideally the system is designed to save money because it allows the project to begin before all tenders are in."

Mayor Jack MacDonal, who favored the system, said he'd never again recommend it be used in Hamilton.

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The money saved on other contracts, however, cannot be used to cover the cost of the library-market because that amount must be raised through city debentures approved by the Ontario Municipal Board.

REPORT OF THE COMMISSIONER
OF THE GENERAL LAND OFFICE

For the year ending 31st March 1900



GENERAL STATEMENT OF THE LANDS AND LANDS IN THE POSSESSION OF THE CROWN

The following statement shows the extent of the lands in the possession of the Crown, and the amount of the rents and profits thereof, for the year ending 31st March 1900.

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Continued on page 2

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I would appreciate your answer to these questions within the next ten (10) days.

Yours truly,

Pat Valeriano

Pat O. Valeriano */Bl.*
Controller

POV:ls

ment system and I don't see any blame in the architect or the construction management company," he said.

Controller Pat Valeriano claimed Monday that architect Anthony Butler or Pigott Construction Company Ltd., the management company, could be responsible.

Controllers Jim Bethune and Bob Morrow, who spent 10 days investigating the overrun, said

that tender early have to be revised to co-ordinate with work commissioned later.

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Council blundered on project Agro says

THE \$600,000 library-market overrun is the result of a political blunder, a controller charged.

"Some poor political decision made by city council is responsible," Vince Agro said during a 2½-hour debate at city council last night. "We're using the old scapegoat system, and by inuendo and suspicion the finger is being pointed at the architect and the construction manager."

Council voted 15 to three in favor of pumping another \$600,000 into the project and asking the Ontario Municipal Board for authority to issue 20-year debentures to cover the cost.

The \$600,000 is broken down into \$350,000 already spent or to be spent on specific items and a \$250,000 contingency fund for unforeseen expenditures that might arise before the project is completed next May.

Mr. Agro said he has been looking into the cost jump and can find no blame on the part of the architect or construction management company.

Contract

"It all boils down to a poor political decision to use the contract management system and I don't see any blame in the architect or the construction management company," he said.

Controller Pat Valeriano claimed Monday that architect Anthony Butler or Pigott Construction Company Ltd., the management company, could be responsible.

Controllers Jim Bethune and Bob Morrow, who spent 10 days investigating the overrun, said

last night three things are responsible: the two-month delay caused by city council arguing over what form of contract should be used; the two-month carpenters' strike; and the contract management system.

Under the system, instead of a general contractor bidding on the entire project, sections are tendered individually to different contractors and then accepted or rejected by the city.

The contract used in the 44 bid packages put out to tender was drawn up by the city's legal department because it was felt the standard contract used across the province didn't provide the city with enough protection.

Savings

City council selected the city's version in Dec., 1977, over objections from board of control, the architect, the construction management company and several private contractors.

Mr. Butler agreed that most of the increased cost is due to the contract management system.

"Part of the nature of the system is that trades that tender early have to be revised to co-ordinate with work commissioned later.

"Ideally the system is designed to save money because it allows the project to begin before all tenders are in."

Mayor Jack MacDonald, who favored the system, said he'd never again recommend it be used in Hamilton.

"The police station used the same system — as well as the same architect and construction management company — only they used a different kind of contract. And that project came in under budget," he said, emphasizing it is the contract Hamilton insists on using, and not the system, that's to blame.

In addition to approving the \$600,000, city council also agreed that board of control should set up a working committee to monitor the project until its completion in May.

Council also asked Mr. Butler and Pigott to provide written responses to a letter from City Solicitor Ken Rouff.

And finally, council agreed that all recommendations respecting the increased cost were subject to the city reserving its rights to claim for reimbursement and damages from the cost overrun.

The original budget for the project, approved by council in 1975, was \$10.4 million. The new budget approved last night is \$12.3 million.

Others under budget: Mayor

HAMILTON HAS saved more than half a million dollars in the total amount of contracts it tendered this year, the mayor said last night.

"Sure the library is over, but no one ever mentions that in total contracts awarded this year we are \$500,000 under budget," Mayor Jack MacDonald told city council.

"Estimates are not a science. You can't force contractors to do things at your cost. The convention centre, for example, came in \$2 million under our estimates," he said.

The money saved on other contracts, however, cannot be used to cover the cost of the library-market because that amount must be raised through city debentures approved by the Ontario Municipal Board.

Final tab may top \$15m

IF YOU think \$12.3 million is the total cost of the new library-market complex, Controller Jim Bethune has news for you.

"I think it's about time the public knew exactly what they're paying for. That \$12.3 million doesn't include a lot of things like the architect's fee, the consultant's fee, refrigeration for the market, furnishings, the library's (book) circulation system, and moving the library."

"By the time this thing is through, it'll cost them another \$3.5 million at least, bringing the total project cost to about \$15.8 million," Mr. Bethune told city council last night.

Final
top 100

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Others under budget: Mayer

THE SPECTATOR, Thursday, September 13, 1979

The Spectator

Established 1846

Published at 44 Frid Street, Hamilton, Ontario, L8N 3G3
by Southam, Inc., proprietor,

John D. Muir, publisher

On its way

Hamilton city council made the only decision it logically could in granting the library-market complex an additional \$600,000 to cover cost overruns on the building.

The project has come too far for delays to retard its completion any further.

Sensibly, council members realized that. They recognized that mistakes have been made and, wisely, they've accepted the responsibility for them.

Inflation has affected most people over the past five years. It's understandable, then, that, over that period of time, construction projects will also have been touched by inflation's hand.

There always is pressure, of

course, to keep the costs of a public project down. And, sometimes, that objective becomes an obsession that is sought at almost any price.

But the cheapest possible way is not always the best. If spending the extra dollars means that Hamiltonians will, in the end, possess a building they can be proud of, then the result will be worth the investment.

Hamilton's new library-market complex is slated for completion early next year. When it's finished, it should provide yet another cornerstone to a revitalized downtown core.

City council has recognized that and has acted accordingly.



Pigott Construction Limited - Hamilton Division
4 Hughson Street South - P.O. Box 309, Hamilton, Ontario, L8N 3G7

September 14, 1979

RECEIVED

Board of Control
City Hall
P. O. Box 2040
HAMILTON, Ontario
L8N 3T4

SEP 19 1979

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Attention: Mr. R. M. Collier
Assistant Secretary

Re: CONSTRUCTION MANAGEMENT CONTRACT
Hamilton Central Library & Farmers' Market

Dear Mr. Collier:

We have your letter of September 10, 1979 outlining the position of the City of Hamilton on the matter of the most recent Cost Overrun. You wrote us a similar such letter dated October 10, 1978 on the earlier Cost Overrun.

SEP 19 1979 We responded to you in a letter dated November 14, 1978 on the earlier Cost Overrun and our position remains unchanged on that overrun as well as this overrun.

COPIES TO DEPARTMENTS ARCHITECT, BUILDING, CLERK, COMMUNITY, ENGINEER, FIRE, PARKS, PERSONNEL, PLANNING, PURCHASING, REAL ESTATE, RECREATION, SOLICITOR, STREETS & SAN., TRAFFIC, TREASURER

With regard to your request for a comprehensive and detailed report on the most recent Cost Overrun, extensive reports on that subject have been prepared by Mr. Phillips and Mr. Butler and we wish to advise that it is not the intention of this firm to cover the same ground in yet another report on the same subject.

Yours very truly

PIGOTT CONSTRUCTION LIMITED

V. C. Catchick,
General Manager
Hamilton Division

Mr. W. L. Phillips
Mr. A. Butler

SECRETARY

Telephone (416) 522-1341

Hamilton's new budget ch
Library market
building will cost tax-
payers \$15,370,000 by the
time it is fully
operational, city council
was told last week.
Controller Jim
Bethune gave council
the news during its
debate on a request for
another \$600,000 to
complete the building.
The cost of the
building has now risen
to \$12.3 million from the
original \$9.6 million es-
timate five years ago.
But, by the time the
cost of furnishing the
building, moving the
library from the Main
Street West site to the
new building, ar-
chitect's and project
manager's fees and air
conditioning are added
in, the cost could jump
another \$3 million, Con-
t. Bethune said.
The additional money
was approved in responsi-
bility to a request
response to a request
two weeks ago from Bill
Phillips, city engineer
and Lloyd D. Jackson
Square co-ordinator.
In an effort to find out
why the cost of the
building continues to
increase, the board
appointed Controller
Bob Morrow, the city's
project

1-19.86
30-2.10(a)(iv)

September 18, 1979

Mr. R. M. Collier,
Assistant Secretary,
Board of Control.

Dear Mr. Collier,

Re: Library and Farmers' Market Project -
Pigott Structures Company Limited -
Change Order - \$61,767.00

I wish to bring to your attention an error in Change Order No. 2 with respect to the above, which you forwarded to me as recommended by Mr. W. L. Phillips, City Engineer and Co-ordinator, Lloyd D. Jackson Square.

This Change Order, as I understand it, is to take care of the continued services of Pigott Structures Company Limited beyond the twenty-two month period covered by the original contract. This is covered by item 15 (a) of the forty-first Report of the Board of Control adopted by City Council on September 11, 1979.

The wording as submitted by Mr. Phillips would in effect nullify the reservation which Council made with respect to payments for cost overrun of this project.

City Council did not agree that this extension relates to "delays due to contract documents and the Carpenter's strike". That has not been established as a fact; it is merely an allegation. Therefore it is my recommendation that this phrase be deleted. Moreover this particular Change Order should be made out to Pigott Structures Company Limited rather than to Pigott Construction Limited.

The Change Order, in duplicate, is returned herewith.

Yours truly,

K. A. Rouff,
City Solicitor.

KAR:JD

c.c. Controller P. O. Valeriano

Mr. W. L. Phillips, City Engineer and Co-ordinator,
Lloyd D. Jackson Square

Mr. Anthony Butler, Architect

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W. L. PHILLIPS
B.A. Sc., M.E.I.C., P. Eng.
CITY ENGINEER and
CO-ORDINATOR LLOYD
D. JACKSON SQUARE

CORPORATION OF CITY OF HAMILTON
Department of Engineering

Date 14 September 1979
File 301-0008.1*

CHANGE ORDER

Reference

To Pigott Construction Limited,
P.O. Box 309,
Hamilton, Ontario. L8N 3G7

Change Order No.2.....

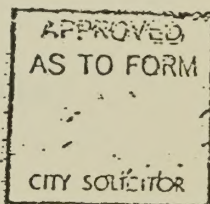
Attention: Mr. P. Hatton

Contract for Construction Management of Library and Farmers' Market

You are hereby instructed, subject to the same terms and conditions as the original contract, to make the following changes therein, for the sum of

Sixty-one thousand, seven hundred and sixty-seven-----^{xx} Dollars
100
(added to)
to be ~~deducted from~~ the amount of the contract:

To extend this Contract beyond the twenty-two month original time period -
this extension relating to delays due to contract documents and the
Carpenter's strike.



Passed SEP 10 1979

BOARD OF CONTROL

Original Contract
Amount

Total Amount of
Prev. Change Orders

Amount of this
Change Order

Revised Contract
Price

\$378,616.00...

\$1,376.00
(extra)

\$61,767.00
(extra)

\$441,759.00....

c. c. Anthony Butler, Architect

W.L. Phillips

City Engineer and Co-ordinator
Lloyd D. Jackson Square

DH:jb

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THE CORPORATION OF THE CITY OF HAMILTON

DEPARTMENT OF ENGINEERING
CITY HALL, HAMILTON
L8N 3T4

18 September 1979

RECEIVED

SEP 18 1979

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Legal Department

Att: Mr. K. A. Rouff,
City Solicitor

Re: Central Library and
Farmers' Market - Pigott Structures Company Limited

Dear Sir:

I acknowledge receipt of a copy of your letter dated 18 September 1979, addressed to Mr. R. M. Collier, Assistant Secretary, Board of Control, regarding Change Order No. 2.

I wish to advise you that we will change the wording of this Change Order in accordance with your letter.

However, with regard to the name of the Company to which this Change Order should be addressed, I forward to you a copy of a letter, dated 2 January 1979, which I received from Pigott Construction Limited, in which they advise that Pigott Structures Company Limited was amalgamated with Pigott Construction Limited.

I would request your advice as to which name should be on the Change Order.

Yours very truly,

City Engineer and
Co-ordinator, Lloyd D. Jackson Square.

WLP:jb
Encl.

- c. c. Mr. R. M. Collier, Acting Secretary,
Board of Control (Encl.)
c. c. Mr. D. Heintz, Construction Engineer

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SEP 21 1979

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

September 21, 1979.

Controller B.O. Valeriano,
City Hall.

Dear Controller Valeriano:

Re: Hamilton Central Library and Farmers' Market - Cost Over-run

In reply to your letter of September 12, in which you raised three questions, my reply is as follows:

In the first place, the responsibilities of the Architect, Mr. Anthony Butler, as well as the Construction Manager, Pigott Structures Company Limited, have to be examined and determined within the context of the individual contracts between these 2 parties and the City.

The responsibility of the Architect must also be reviewed in light of the fact that the Architect, Mr. Butler, was retained by City Council in adopting Item 1 of the 28th Report of the Planning & Development Committee on July 31, 1975.

It should also be noted that the Architect since that time, received progress payments. It was not until sometime in 1977 that Mr. Butler and Mr. Phillips, the Co-ordinator of Lloyd D. Jackson Square recommended to Board of Control the Construction Management System and, the Board of Control in turn, recommended the System which Council adopted on June 1, 1977. This was 23 months after Council had originally retained the Architect. At that time, there was no evidence, and neither our records nor the Minutes of City Council indicate, that Mr. Butler had any intention of recommending the CCOC Contract Forms. Therefore, at this stage, the Architect cannot be heard to say that the time spent in reviewing the Contract Forms contributed to the cost over-run.

I. SHOULD THE PROJECT MANAGER BE PAID THE EXTRA \$61,767.00 BEING AN ADDITIONAL CONSTRUCTION MANAGEMENT FEE DUE TO DELAY ON THE PROJECT?

Please note that the additional amount claimed by Pigott is claimed as a result of two delays:

- a) "Delay" caused by discussions respecting the Contract Documents (March 6, 1978 - May 1, 1978):

Although our file indicates that Pigott Structures Company Limited may have been somewhat involved in recommending the CCOC Form of

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Contract Documents, Pigott Structures Company Limited was not obligated under its contract with the City to prepare or review the general contract (e.g. the General Conditions as a whole). The preparation of these documents was the duty of the Architect, Mr. Anthony Butler.

Under the Pigott Contract, Pigott is entitled to be reimbursed "if the Construction Manager is required to perform extra services or pay expenses because of delays caused by the Owner or the Owner's Consultants". In the absence of written detailed reports from the Architect and Construction Manager, no assessment can be made as to responsibilities between the parties with respect to extra services and/or payment of expenses for "delays" as alleged;

b) "Delay" caused by Carpenters Strike
(July 20, 1978 - September 7, 1978):

The Instructions to Proponents indicate that Construction was scheduled to commence in October of 1977 and to take 20 months for completion and 2 months for installation of furnishings, etc. This was the basis upon which Pigott bid on the project and forms part of the Contract Documents. However, the bidders were required to set a fixed fee, and, in addition, the Contract, by Article 5(d), contemplates additional payments to Pigott in the event of certain types of "delay". "Strikes" is not specifically included in this paragraph, and therefore, on its face, the Contract does not seem to contemplate additional payment to the Construction Manager as a result of "delay" caused by strikes.

Accordingly, it is our opinion that Pigott is not entitled to that portion of its claim attributable to the "delay" caused by the Carpenters Strike.

Finally, it seems that at least, part of the amount claimed by Pigott is for anticipated, not past services.

In addition, it is a responsibility of the Construction Manager to "review the status of current labour agreements and the possibilities of work stoppages or strike action". Our file does not disclose any evidence that the Construction Manager fulfilled this aspect of his Contract.

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II. DID THE CITY DIRECT MR. BUTLER TO USE THE CCDC CONTRACT (INSTEAD OF THE CITY'S STANDARD CONTRACT DOCUMENTS BOOKS "A" AND "B")?

A review of our file indicates:

- a) pursuant to the Contract between the City and the Architect, it was the Architect's duty to prepare the "general contract documents for calling tenders". Our file contains no indication that the Architect was, at any time, directed by City Council to prepare the CCDC Forms for use instead of the City's Standard Form;
- b) in addition, in March of 1978, we investigated, at the request of Alderman McCulloch, as to whether other cities used the CCDC Form, Mr. McCulloch of our Department telephoned 3 municipalities, (Metro Toronto, Regional Niagara and Windsor), and found that none uses the CCDC Forms. Also, in response to our inquiry, the City of Calgary does not use the CCDC forms.
- c) On December 20, 1977, Mr. Butler wrote to Mr. Phillips (a copy of which we received on December 20), requesting Mr. Phillips to review the CCDC documents and recommending them as modified to suit this project and practice of the City and which he recommended. This is the first time we were aware that the CCDC documents were to replace the City's Standard Contract forms; and, in fact, we received the CCDC Contract from Mr. Phillips on December 29, 1977 and on January 3, 1978, we sent him an 8 paged letter expressing our concerns that the CCDC documents did not provide the necessary legal protection to the City.

You may recall that Mr. W.W. Heiss, (then of our Department), and I met Mr. Anthony Butler, the Architect, Mr. W.L. Phillips and Mr. F.W. Eckenrath on January 11, 1978 concerning Mr. Butler's recommendation that the contract forms prepared by the Canadian Construction Association be used for this project. We understood that Mr. Butler would make the changes recommended by our Department, but it was not until February 2, (some 3 weeks later), that this Department received a new set of documents. That set did not include all the changes which had been agreed upon. It was only after a series of meetings of Messrs. Heiss, Butler and Earle of the Engineering Department and myself with one another and Board of Control that City Council on March 20, 1978 decided that the City's Standard Contract Documents (Books A and B) were to be used for the project.

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Considering that Mr. Butler prepared the Construction Management Contract, and that it provided that construction was scheduled to commence in October of 1977 and considering that Mr. Phillips received letters in November of 1977 both from Pigott and Mr. Butler, stressing that the budget was tight and further delays could lead to additional cost, it is somewhat unusual that Mr. Butler did not forward the CCDC Contract Documents for review by the City at an earlier date nor make the recommendation as to the use of the CCDC documents at a date well in advance of anticipated commencement of construction;

In addition, the City is the Architect's Client and the Architect should endeavour to prepare contract conditions which best protect the Client's (City's) interests and not merely recommend the CCDC forms.

III. "HAVE WE ANY LEGAL RIGHTS BECAUSE OF DELAYS?"

A more basic question is whether the Architect should have in 1977 anticipated the additional costs caused by revisions in the work. The Architect now claims that it is "inherent" to the Construction Management process that revisions may have to be made to the Specifications as the architectural drawings progress to completion. If Mr. Butler is right about this "inherent characteristic", it seems to follow that costs will also rise as the Architect completes his architectural drawings. The Architect and the Construction Manager claimed that their original budget could be achieved even though it was "tight", if construction commenced on time. However, they appear to have failed to provide in the budget for these "inherent revision costs".

You indicated also that in December of 1978, the Project Manager knew of the changes but did not bring the increased cost to the attention of the Architect and Mr. Phillips until April of 1979, and that Mr. Phillips did not report the increased cost to the Board of Control until August 28, 1979.

However, it is not only the Construction Manager that is responsible for determining the increased cost, but also the Architect since, under Article 2(b), the Architect is responsible to "review and revise estimates as preparation of drawings and specifications proceed". Accordingly, the Architect should have been aware that as the architectural drawings were being revised, costs were increasing.

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Also, it is the duty of the Construction Manager under its Contract to:

- i) report on a monthly basis after commencement of construction on the cost of the work in relation to the working budget, and
- ii) maintain a comprehensive updated estimating, monitoring and reporting system, and
- iii) if deviations are indicated from master schedule and cost plan to report to Owner (not Management Committee) for approval and justification of increase before commitment is made, and to recommend alternative solution.

Failure by the Construction Manager to perform the duties listed above could be a significant factor in the cost over-runs.

In addition, the Construction Manager's refusal to provide a comprehensive report as recently requested, on the latest cost over-run, is, in our opinion, inconsistent with its obligations.

Accordingly, it is our opinion that the delays have not altered our legal rights.

IV. HAS THE CITY ANY RECOURSE?

As previously indicated, the Architect had a duty to prepare and provide estimates.

Further, pursuant to Article 8(a) of the Architect's Contract, the Architect agreed to indemnify the City "from any increased costs of the project to the Client resulting from the negligent error or omission of the Architect". The Project Manager also had numerous duties with respect to cost control, for example, reviewing the budget, revising it on a monthly basis, preparing a final working budget, establishing cost breakdown for control purposes, reporting on a monthly basis after commencement of construction the cost of the work in relation to the working budget, reviewing estimates for each bid package, reporting deviations from cost plan, justifying cost increases and submitting alternative proposals.

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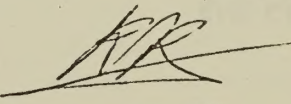
In addition, Article 3(a) of the Pigott Contract specifies that:

"The Construction Manager recognizes the relation of reliance and confidence contemplated and established by this Agreement with the Owner and covenants with the Owner to furnish his best professional skill and judgement in protecting and advancing the interests of the Owner at all times. The Construction Manager agrees to furnish his best efficient business administration and superintendence and to use every effort to ensure that the work is executed in a good and workmanlike manner, in the most expeditious and economical manner consistent with the interests of the Owner, within the budget approved by the Owner and within the completion schedule agreed to by the Owner".

The first cost over-run, as well as, the current cost over-run suggest that the Architect and the Construction Manager have failed to meet their obligations and, accordingly, the City would appear to have a prima facie case in law.

Due to the importance of the questions you raised, I believe that the Board of Control would be concerned to be apprised of the answers given. Accordingly, I am sending a copy of this letter to the Secretary of the Board of Control and also a copy to Alderman R. Wheeler who has expressly requested to be advised of the City's legal position.

Yours truly,


K. A. Rouff,
City Solicitor.

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c.c. Alderman R. Wheeler
c.c. Mr. J.R. Jones, Secretary, Board of Control

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PIGOTT CONSTRUCTION LIMITED

ENGINEERS AND CONTRACTORS

P.O. BOX 309

HAMILTON, CANADA L8N 3G7

January 2, 1979

The Corporation of the City of Hamilton,
City Hall,
P.O. Box 2040,
Hamilton, Ontario L8N 3T4

Attention: Mr. W. L. Phillips

Dear Sirs:

Kindly be advised that effective December 31, 1978 Pigott Structures Company Limited was amalgamated with Pigott Construction Limited. As of that date all of the property, rights, liabilities and contracts of Pigott Structures Company Limited flow through to Pigott Construction Limited.

Your dealings with Pigott Structures Company Limited will continue as dealings with Pigott Construction Limited - Hamilton Division and your enquiries, correspondence and invoices, as of December 31, 1978, should therefore be directed as follows:-

Pigott Construction Limited
Hamilton Division
P.O. Box 309
Hamilton, Ontario
L8N 3G7

Yours very truly

PIGOTT CONSTRUCTION LIMITED

V.C. Catchick
General Manager - Hamilton Division

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RECEIVED
SEP 19 1979

September 18, 1979.

Mr. W.L. Phillips,
City Engineer.

Dear Sir:

re: Central Library and Farmers' Market -
Pigott Structures Company Limited

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

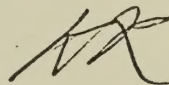
I have your letter of today's date in which you agree to make the necessary amendments as recommended.

The attached letter submitted by you from V.C. Catchick, General Manager of Pigott Construction Limited to your attention, is the first notice this Department has had that Pigott Structures Company Limited was amalgamated with Pigott Construction Limited. There is nothing on our records to indicate whether this matter was brought to the attention of the Board of Control or to City Council.

Under the circumstances, since Pigott Construction Limited has acknowledged that all rights, liabilities and contracts of Pigott Structures Company Limited flow through to Pigott Construction Limited, it will be in order for change orders to be made in the name of Pigott Construction Limited.

In any event, this new development should be brought to the attention of the Board of Control and City Council.

Yours truly,



K. A. Rouff,
City Solicitor.

KAR:eag

c.c. Controller P.D. Valeriano

c.c. Mr. R.M. Collier, Acting Secretary, Board of Control

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Hamilton's new budget chi
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Library could cost \$15,370,000

Hamilton's new library - market building will cost taxpayers \$15,370,000 by the time it is fully operational, city council was told last week.

Controller Jim Bethune gave council the news during its debate on a request for another \$600,000 to complete the building.

The cost of the building has now risen to \$12.3 million from the original \$9.6 million estimate five years ago.

But, by the time the cost of furnishing the building, moving the library from the Main Street West site to the new building, architect's and project manager's fees and all conditioning are added in, the cost could jump another \$3 million, Cont. Bethune said.

The additional money was approved in response to a request two weeks ago from Bill Phillips, city engineer and Lloyd D. Jackson Square co-ordinator. In an effort to find out why the cost of the building continues to increase, the board appointed Controllers Bob Morrow, the city's

budget chief, and Bethune to investigate the entire project. Following their 10-day study, they recommended approval of the additional funds.

About \$354,000 will be used to cover the cost of additional overruns found by Phillips and Tony Butler, project architect, while the remainder will be held in reserve to cover any unforeseen expenses that may crop up between now and completion of the building.

Butler said in some instances, work was tendered before the final drawings were completed, forcing revisions in some of the original work to "fit" in with later phases of the project.

Morrow also cited a lengthy carpenters' strike as another factor in the cost increase as well as a two-month delay caused by city council as it ruminated over the conditions to be used in calling and awarding individual contracts.

While Morrow and Butler agreed that only \$45,000 of work remains to be tendered, a contingency fund of about

\$250,000 should be set aside to cover any more "unforeseen and unforeseeable" expenses.

Alderman Bill McCulloch tried to have the contingency fund reduced to only \$35,000. But he was voted down 17-2.

Alderman Ted Meekin said the various explanations of the overruns and for the size of the new contingency fund suggested a "coverup" on what's really going on with the project.

"If there has been a cover-up," Alderman Brian Hinkley said, "somebody's done an awfully good job of it." Because architect, project manager, city engineer and two controllers feel the extra money is justified.

Controller Vince Agro condemned the creation of what he called a "sinister atmosphere" filled with inferences of wrongdoing by the professional people involved in the library project.

More likely, he said, the cost overruns have been caused by "poor political decisions" such as opting for the project management system of awarding contracts. The original cost for \$2 million less than estimate.

Mayor Jack MacDonald responded to criticism of the project management system saying that, like many armchair quarterbacks, "I've played every football game better in the fifth quarter."

He reminded council opted for project management that the same system of

Pigott refuses to explain cost

Spectator Sept 19th 1979

BOARD OF control has been rebuffed in its attempt to get a full report on the most recent library-market cost overrun from the project's contract manager.

The board, which has set up a three-member committee to keep tabs on the \$12 million project, requested "comprehensive and detailed" reports from Pigott Construction Ltd., the contract manager, as well as from the project architect and city engineer Bill Phillips, who is co-ordinator of Lloyd D. Jackson Square.

But V. C. Catchick, general manager of Pigott's Hamilton Division, told the board in a letter that the firm would not comply with the request.

"Extensive reports on that subject have been prepared by Mr. Phillips and Mr. Butler (the architect), and we wish to advise that it is not the intention of this firm to cover the same ground in yet another report on the same subject," Mr. Catchick wrote.

"I'm a little upset about that letter," Controller Pat Valeriano told the board of control today. "They have a responsibility to council."

"The legal department tells me it's important that we have that report," the controller said. He said he has asked the legal department for legal positions on three areas and has been told he cannot get an answer until the Pigott report is received.

Three weeks ago, the board was shocked to learn from Mr. Phillips that the library-market faced its third cost increase since construction began. Costs of \$350,000 over budget had already been committed, Mr. Phillips said. Council last week approved adding that amount to the budget, plus \$250,000 as a contingency to cover any further cost increases.

Although several councillors said no blame for the overrun could be pinned on Pigott, Mr. Butler or city staff, city solicitor Ken Rouff has written to Pigott and Mr. Butler to make clear that approval of the cost increases does not preclude legal action by the city in future should blame be found.



CITY COUNCIL
HAMILTON CANADA

September 21, 1979

RECEIVED

SEP 21 1979

Mr. K. A. Rouff
City Solicitor
Legal Department
City Hall

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Dear Sir:

I phoned and asked you this morning as to our legal position on the latest cost overruns of the Library and Farmer's Market complex.

You informed me that you were working on a report for Controller Valeriano on that same subject.

Would you send me a copy of that report since I am quite interested in this matter.

Yours truly,

Reg Wheeler/*ls*
Alderman, Ward 5

RW:ls
cc

Controller Pat Valeriano

Reader wants cost overrun explained

I found it incredible that city council is prepared to accept the excuses offered by the board of control, on behalf of the architect and the construction manager, for the latest cost overrun on the construction of the library and farmers market — an amount in excess of two million dollars over the original amount approved by city council.

No board of directors of a company would be permitted to relieve itself of the responsibility for the mismanagement of the construction of a project as the board of control has done. The directors would legally be accountable to the shareholders.

In this instance there is no accountability to the overburdened ratepayers. The board of control is investigating itself; no

LETTERS

Letters to the editor should be kept brief and must bear the writer's name, address and, if possible, telephone number. The editor reserves the right to edit, condense, or reject contributions. No pen names will be accepted.

— Editor

wonder it can find no one responsible.

May I ask the mayor and his colleagues on the board of control what are the obligations of the architect, Mr. Butler, and the construction manager, Pigott Construction Co. Ltd.?

Perhaps as a public service The Spectator may consider publishing both contracts so that

the ratepayers will be able to assess the position of the mayor and board of control in this matter.

Controller Agro said that he has been looking into the cost jump and can find no blame on the part of the architect or construction manager. Since I and other ratepayers were not privileged to see or hear the investigation conducted by Controller Agro, I believe it is now his responsibility to tell the public, by way of a written report, the facts upon which he relied to publicly exonerate the architect and the construction manager for this \$2 million cost overrun.

If ever there was a case for a judicial enquiry, this is one.

G. A. Stephens,
Hamilton.

We'll get cost data: Controller

CITY COUNCIL will get the report on the library-market cost overruns that the project's construction manager has refused to provide, Controller Bob Morrow said yesterday.

He said a three-member committee will sit down with representatives of Pigott Construction Ltd., likely next week, to discuss council's request for a comprehensive and detailed report on the latest \$350,000 cost overrun on the \$12 million project.

A company official has already written to board of control, saying: "It is not the intention of this firm to cover the same ground in yet another report on the same subject."

Mr. Morrow said he hoped that at the meeting "we'll be able to thrash it out with them and get what council wanted."

Library cost-overflow answer expected

CITY COUNCIL will get the report on the library market cost overruns that the project's construction manager has refused to provide, Controller Bob Morrow said yesterday.

Mr. Morrow said a three-member committee set up to oversee the project will sit down with representatives from Pigott Construction Ltd., the construction managers, likely next week to discuss council's request for a

comprehensive and detailed report on the latest \$350,000 cost overrun on the \$12 million project.

V. C. Catchick, general manager of the firm's Hamilton division, wrote to the board saying that the report council requested would not be provided.

Noting that reports had also been requested from project architect Anthony Butler and from city engineer Bill Phillips, Mr. Catchick wrote: "It is not

other \$600,000, including \$250,000 as a contingency fund, was added to the library budget, Mr. Morrow said.

"I think the answers to those questions posed are important and should be made available to us," he said.

Earlier this week, another member of the committee, Controller Pat Valeriano, said the board of control should insist on

getting the requested report. But the third member, Controller Jim Bethune, supported Mr. Catchick's position.

"We've got enough reports," Mr. Bethune said. "We don't need another report. This was all concocted by the legal department thinking they may have a legal case. They are looking for possible litigation, but from what I know there are no grounds for it."

Mr. Bethune said he had talked to a superintendent on the work site, who said the city is getting good value for its money and that the cost of the building would normally be \$16 or \$17 million.

"I respect what Pigott did" in writing the letter, he said. "They've been harassed enough."

"They've been harassed enough."

Suit possible over library — Lawyer

HAMILTON may have a legal case against the architect and construction management company of the library-market because of the skyrocketing costs of the project.

City Solicitor Ken Rouff told board of control in a letter, yesterday he has found several apparent breaches of the city's contracts with Anthony Butler, the architect and Pigott Structures Company Ltd., the construction manager.

"The first cost overrun as well as the current cost overrun suggest that the architect and the construction manager have failed to meet their obligations and accordingly, the city would appear to have a prima facie case in law," Mr. Rouff said.

The solicitor investigated the matter after a request for a legal opinion from Controller Pat Valeriano regarding the \$1 million overrun in 1978 and the current \$350,000 overrun and \$250,000 contingency.

A three-member subcommittee of the board is expected to discuss the matter today.

Delays

The increased costs have been partially blamed on delays caused by a two-month carpenters' strike and by contract negotiations between the city and the architect.

Mr. Rouff said there were no written assessments from Mr. Butler or from Pigott in relation to the delay caused by the

contract negotiations.

But due to certain clauses in the contract Pigott did sign with the city, Mr. Rouff said: "... It is our opinion that Pigott is not entitled to that portion of its claim (of \$61,000) attributable to the 'delay' caused by the carpenters' strike."

He added that Pigott had a responsibility to "review the status of current labor agreements and the possibilities of work stoppages or strike action" and there was no evidence to show that aspect of the contract had been fulfilled.

As for Mr. Butler's role, Mr. Rouff said part of the delay was over a disagreement with the city about which contract forms should be used in calling for tenders on the project, the city's standard forms or ones favored by Mr. Butler.

The architect told city council this month it was "inherent" to the construction management process that revisions might have to be made to the specifications as the architectural drawings were completed.

Reports

Mr. Rouff claimed the architect and construction manager "appear to have failed to provide in the budget for these 'inherent revision costs' ... The architect should have been aware that as the architectural drawings were being revised, costs were increasing".

The construction manager's contract called for monthly reports on the cost of the project reporting budget deviations directly to the city before spending any extra money.

Mr. Rouff said Pigott's failure to do this "could be a significant factor in the cost overruns". He added that Pigott's recent refusal to provide the city with a comprehensive report on the latest cost overrun was also "inconsistent with its obligations".

Mr. Butler said yesterday he had no comment because he hadn't seen Mr. Rouff's letter. The Pigott spokesman was out of town and couldn't be reached for comment.

Dear Mr. Editor:

I found it incredible that the City Council is prepared to accept the excuses offered by the Board of Control, on behalf of the Architect and the Construction Manager, for the latest cost over-run on the construction of the Library and Farmers Market - an amount in excess of \$2 million dollars over the original amount approved by City Council.

No board of directors of a company would be permitted to relieve itself of the responsibility for the

mismanagement of the construction of a project of this nature as the Board of Control has done. The directors would legally be accountable to the shareholders.

In this instance there is no accountability to the overburdened ratepayers. The Board of Control is investigating itself; no wonder it can find no one responsible.

May I ask the Mayor and his colleagues on the Board of Control what are the obligations of the Architect Mr. Butler and the Con-

struction Manager, Pigott Construction Co Ltd., for which they are to receive respectively, fees in the neighborhood of \$1. million, and over \$400,000. Perhaps as a public service your paper may consider publishing both contracts so that the ratepayers will be able to assess the position of the Mayor and Board of Control in this matter.

Controller Agro, who has been reported in The Spec. of Wed. Sept. 12th as saying that he has been looking into the cost jump and can find no blame on the part of

the Architect or Construction Manager. Since I as other ratepayers were not privileged to see or hear the investigation conducted by Controller Agro, I believe it is now his responsibility to tell the public by way of a written report the facts upon which he relied to publicly exonerate the Architect Mr. Butler and the Construction Manager, Pigott Construction Co. Ltd. for this \$2. million cost over-run. If ever there was a case for a judicial enquiry, this is one. Yours respectfully,
G.A. Stephens.

City could sue over library lawyer claims

By JUDY NYMAN
Spectator Staff

HAMILTON may have a legal case against the architect and construction management company of the library-market because of the skyrocketing costs of the project.

City solicitor Ken Rouff told board of control in a letter today he has found several apparent breaches of the city's contracts with Anthony Butler, the architect and Pigott Structures Company Ltd., the construction manager.

"The first cost overrun as well as the current cost overrun suggest that the architect and the construction manager have failed to meet their obligations and accordingly, the city would appear to have a prima facie case in law," Mr. Rouff said.

The solicitor investigated the matter after a request for a legal opinion from Controller Pat Valeriano regarding the \$1 million overrun in 1978 and the current \$350,000 overrun and \$250,000 contingency.

Board of control referred the letter to its three-member working sub-committee on the library-market project.

The committee, set up Sept. 11 includes Mr. Valeriano and Controllers Jim Bethune and Bob Morrow. They will meet tomorrow to discuss the matter.

As for Mr. Butler's culpability, Mr. Rouff said part of the delay was over a disagreement with the city about which contract forms should be used in calling for tenders on the project, the city's standard forms or ones favored by Mr. Butler.

Mr. Butler told city council this month it was "inherent" to the construction management process that revisions might have to be made to the specifications as the architectural drawings were completed.

Reports

Mr. Rouff claimed the architect and construction manager "appear to have failed to provide in the budget for these 'inherent revision costs' ... the architect should have been aware that as the architectural drawings were being revised, costs were increasing".

The construction manager's contract called for monthly reports on the cost of the project reporting budget deviations directly to the city before spending any extra money.

Mr. Rouff said Pigott's failure to do this "could be a significant factor in the cost overruns". He added that Pigott's recent refusal to provide the city with a comprehensive report on the latest cost overrun was also "inconsistent with its obligations".

Mr. Butler said today he had no comment because he hadn't seen Mr. Rouff's letter. The Pigott spokesman was out of town and couldn't be reached for comment.

Cost of arena work to triple

REPAIRS TO four city arenas will cost taxpayers three times what consulting engineers estimated, board of control learned today.

The \$75,998 bill for work two consulting firms said would cost \$25,000 was approved by the board, on the condition that Controller Vince Agro is satisfied with an explanation he requested on why the estimates were so low.

"Are we paying this guy to give us lousy advice?" Mr. Agro asked about one of the estimates. The consulting firm "doesn't seem to know what reality is. Why are we so underpriced on the estimate?"

City engineer Bill Phillips gave the same explanation for the low estimates in two reports, one for each consulting firm involved.

"The estimate was prepared before the final design was prepared and the consulting engineer made an error in judgement in the nature of the

work," he wrote.

Mr. Phillips explained that it might be called an error in judgement that the estimates were made before the final designs revealed that the amount of work was more than had been expected.

The costs might also have been higher than expected because contractors are extremely busy at this time of year, the engineer said. The city got no bids earlier this year when it called for bids on the work, he said.

C.C. Parker and Associates Ltd. estimated that repairs to the Mountain Arena would cost \$10,000 but the low bid for the work came in at \$26,000. Omen Lee and Associates Ltd. estimated a \$5,000 price for repairs to each of the Inch Park, Coronation Park and Parkdale rinks but the lowest bid was for \$16,666 each.

Mr. Phillips said consultants were hired because the city staff does not have the expertise required for such structural work.

Delays

The increased costs have been partially blamed on delays caused by a two-month carpenters' strike and by contract negotiations between the city and the architect.

Mr. Rouff said since no written assessments from Mr. Butler or from Pigott existed in relation to the delay caused by the contract negotiations, he could not say whether the city had any case against Pigott in that portion of the \$61,000 which was the additional construction management fees because of the delays.

But due to certain clauses in the contract Pigott signed with the city, Mr. Rouff said: "...it is our opinion that Pigott is not entitled to that portion (of the \$61,000) of its claim attributable to the 'delay' caused by the carpenters' strike".

He added that Pigott had a responsibility to "review the status of current labor agreements and the possibilities of work stoppages or strike action" and there was no evidence to show that aspect of the contract had been fulfilled.

Second legal view sought on market

HAMILTON SHOULD get a second opinion as to whether it has a legal case against the construction manager and architect of the library market, an alderman said last night.

Reg Wheeler told city council the amount of money the city would have to spend to get such an opinion would be well worth the cost in an issue involving almost \$2 million in cost overruns since 1975.

Reading from a letter to the editor of The Spectator, Mr. Wheeler said citizens aren't prepared to accept the excuses of the architect, construction manager and board of control as to why the project is so far over budget.

He added if there was ever a case for a judicial inquiry this is the one.

"I know we have a three-member board of control committee watching it now but I don't think the people are appreciative of the fact that we are riding herd over the last \$350,000 and leaving the other overruns to be investigated by the city solicitor.

"There is fault in what's gone on here and it's about time we let the chips fall where they may.

This is the time to show good faith to the people and get the city solicitor the second opinion and help he needs," Mr. Wheeler said.

Although city solicitor Ken Rouff said he would welcome any legal assistance the city saw fit to provide, council tabled Mr. Wheeler's motion to get a second legal opinion, deciding instead to give board of control's subcommittee a little more time to investigate the matter.

Mr. Rouff told council he finds himself in a very sensitive position because he is being undermined by his own client (the city).

Prima facie

"The best I can do as a solicitor for this corporation is give you advice. But if my own client says we don't have a case, it puts me in a very difficult position because I have given my opinion that we do have a prima facie case in law," Mr. Rouff said.

Vince Agro has said his own investigations have shown there is no blame on the part of the architect or the construction manager for the latest cost overrun. And Jim Bethune has said the legal department is trying to concoct a legal case for which he sees no grounds.

"If I say we have a case and members of board of controller say we don't, am I suppose to take a subtle hint from that?" Mr. Rouff said.

V.C. Catchick, general manager for Pigott, told the board of control last week that he would not supply the requested detailed report but Controller Bob Morrow told board of control this morning that Pigott has now agreed to comply with the request.

The report would be in the hands of the board by next Wednesday, Mr. Morrow said. Controller Jim Bethune said there was some misunderstanding about what the city wanted but that was straightened out during a meeting this morning with a Pigott representative.

Mr. Rouff also complained that he couldn't even get an answer from his colleague, city engineer, William Phillips.

Mr. Phillips, who is also the project co-ordinator for Lloyd D. Jackson Square, has still not answered a November, 1978, letter from Mr. Rouff requesting information on the initial cost overrun of \$1 million last year.



THE CORPORATION OF THE CITY OF HAMILTON

DEPARTMENT OF ENGINEERING
CITY HALL, HAMILTON
L8N 3T4

9 October 1979

RECEIVED

OCT 9 1979

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Legal Department

Att: Mr. K. A. Rouff,
City Solicitor

Re: Central Library and
Farmers' Market

Dear Sir:

In reply to your letter, dated 23 November 1978, I provide you with the following information:-

- 1 To my knowledge, the first estimate prepared by Mr. Butler was in November 1976.
- 2 (1) The review was carried out by Mr. Butler, his associates and/or his staff.
- 2 (2) The analysis and changes referred to in a letter, dated 15 September 1978 from Mr. Butler, were made by Mr. Butler and/or his associates and staff. These changes would have been made between November 1976 and October 1977 and after October 1977 as indicated in the letter.
- 2 (3) I do not feel that this question is applicable.
- 3 (1) The first schedule was prepared by Pigott Structures Co. Ltd. on 9 January 1978.
- 3 (2) There were four revisions to this schedule with the latest, dated 20 August 1979.
- 3 (3) Construction commenced on 2 January 1978.

Continued.....

CONTRACT NO.	BID PACKAGE
E-77-20 (LM)	1
E-78-1 (LM)	2
E-78-6 (LM)	3
E-78-7 (LM)	4
E-78-10 (LM)	5 & 31
E-78-11 (LM)	6
E-78-12 (LM)	7
E-78-37 (LM)	8
E-78-13 (LM)	9 & 11
E-78-14 (LM)	13
E-78-38 (LM)	14
E-78-25 (LM)	15 & 16
E-78-27 (LM)	18
E-78-28 (LM)	19
E-78-39 (LM)	20
E-78-29 (LM)	21 & 10
E-78-30 (LM)	22
E-78-32 (LM)	24
E-78-33 (LM)	25
E-78-34 (LM)	26
E-78-35 (LM)	27
E-78-40 (LM)	28 & 35
E-78-41 (LM)	29
E-78-41 (LM)	30A

3 (4) In this question you refer to 16 deletions and changes as listed by Mr. Butler. I assume that you are referring to the 17 deletions and changes outlined in the letter, dated 15 September 1978 from Mr. Butler. It would appear to me that none of these changes would affect the function and operation of the project.

4 (a) In this question you refer to Aluminium Products Company Ltd. I assume that you mean Sentinel Aluminium Products Co. Ltd.

It must be understood that Sentinel did not prepare any budget for this project. The budget was prepared by Pigott and during this preparation they obtained information and costs from suppliers and installation contractors. In this case, Pigott obtained information from Sentinel. In the letter referred to, Sentinel are indicating that the items listed were not included in the information supplied to Pigott. There is no indication as to which budget they refer to in their letter.

4 (b) There were no plans and specifications available when the budget was prepared by Pigott. The plans and specifications were prepared prior to the calling of tenders. Therefore, the plans and specifications were not amended as such.

5 (1) As stated above, there were no plans and specifications at the time of preparing the budget. The architect is responsible for the content of the plans and specifications.

5 (2) In this question you asked if they were of the finest materials? Many different meanings can be given to the word "finest". From my knowledge the architect specified acceptable materials for this project. However, if you wish to clarify this question, I will attempt to provide the information, if possible.

5 (3) The "so called" changes were made by the architect and, as far as I know, the Construction Manager and myself were not involved in this process. The plans and specifications were prepared during the design process prior to calling tenders.

5 (4) The final plans and specifications were prepared just prior to calling tenders for each bid package. A copy of the three budgets prepared by Pigott are attached herewith.

Continued.....

CONTRACT NO.	BID PACKAGE
E-77-20(LM)	1
E-78-1(LM)	2
E-78-6(LM)	3
E-78-7(LM)	4
E-78-10(LM)	5 & 31
E-78-11(LM)	6
E-78-12(LM)	7
E-78-37(LM)	8
E-78-13(LM)	9 & 11
E-78-14(LM)	13
E-78-38(LM)	14
E-78-25(LM)	15 & 16
E-78-27(LM)	18
E-78-28(LM)	19
E-78-39(LM)	20
E-78-29(LM)	21 & 10
E-78-30(LM)	22
E-78-32(LM)	24
E-78-33(LM)	25
E-78-34(LM))	26
E-78-35(LM)	27
E-78-40(LM)	28 & 35
E-78-41(LM)	29
E-78-41(LM)	30A

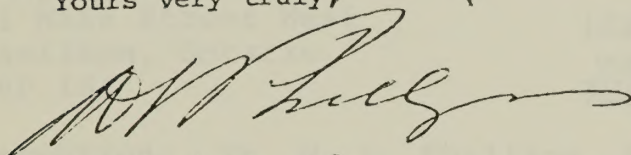
Legal Department
9 October 1979

- 3 -

301-0008.1*
Continued.....

- 6 The reports you requested were not prepared in detail and therefore, are not available.
7. With regard to Table I, it has been revised several time and I attach, herewith, a copy of the latest revision.

Yours very truly,



City Engineer and
Co-ordinator, Lloyd D. Jackson Square.

WLP:jb
Atch.

CONTRACT NO.	BID PACKAGE
E-77-20 (LM)	1
E-78-1 (LM)	2
E-78-6 (LM)	3
E-78-7 (LM)	4
E-78-10 (LM)	5 & 31
E-78-11 (LM)	6
E-78-12 (LM)	7
E-78-37 (LM)	8
E-78-13 (LM)	9 & 11
E-78-14 (LM)	13
E-78-38 (LM)	14
E-78-25 (LM)	15 & 16
E-78-27 (LM)	18
E-78-28 (LM)	19
E-78-39 (LM)	20
E-78-29 (LM)	21 & 10
E-78-30 (LM)	22
E-78-32 (LM)	24
E-78-33 (LM)	25
E-78-34 (LM)	26
E-78-35 (LM)	27
E-78-40 (LM)	28 & 35
E-78-41 (LM)	29
E-78-41 (LM)	30A

PIGOTT STRUCTURES COMPANY LIMITED
ENGINEERS AND CONTRACTORS
P.O. BOX 309
HAMILTON, CANADA L8N 3G7

October 12, 1977

RECEIVED

OCT 9 1979

City of Hamilton
City Hall
71 Main Street West
Hamilton, Ontario
L8P 1H4

RECEIVED
ENGINEERING DEPARTMENT
CITY OF HAMILTON

Attention: Mr. W. L. Phillips, P.Eng.
City Engineer

FILE NO. 381-0008-14	
LETTER NO. 195-57	
DEPT. OF ENGINEERING	
OCT 12 1977	
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DESIGN	
CONST.	
C. SURV.	FILED BY
OPER	
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Dear Sir:

Re: 515 - Hamilton Central Library &
Farmer's Market
PRELIMINARY BUDGET

We of Pigott Structures Company Limited are pleased to quote a Budget Price of Twelve Million, One Hundred and Seventy-seven Thousand, Six Hundred and Thirty-nine Dollars (\$12,177,639.000) to construct the Hamilton Central Library and Farmer's Market on the south side of Merrick Street, west of MacNab Street, Hamilton, Ontario, Federal Sales Tax included, Provincial Sales Tax Excluded.

This Price is based on the following:

1. Hoarding & Jackson Square Window Protection	\$ 28,196.00
2. Shoring Banks	80,000.00
3. Excavation and Backfilling	244,399.00
4. Forms and Concrete	1,739,150.00
5. Reinforcing Steel and Mesh	1,105,000.00
6. Mechanical	2,675,326.00
7. Electrical	1,398,000.00
8. Waterproofing Foundation Walls	24,300.00
9. Waterproofing Exterior Slabs & Planters	23,000.00
10. Elevators and Escalator	376,000.00
11. Conveyors	146,000.00
12. Weeping Tile & Stone Fill Exterior Walls	3,166.00
13. Structural Steel and Metal Grating	74,000.00
14. Steel Roof Deck	1,640.00
15. Drainage System Floor on Grade	17,934.00

... cont'd page 2

CONTRACT NO.	BID PACKAGE
E-77-20 (LM)	1
E-78-1 (LM)	2
E-78-6 (LM)	3
E-78-7 (LM)	4
E-78-10 (LM)	5 & 31
E-78-11 (LM)	6
E-78-12 (LM)	7
E-78-37 (LM)	8
E-78-13 (LM)	9 & 11
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E-78-38 (LM)	14
E-78-25 (LM)	15 & 16
E-78-27 (LM)	18
E-78-28 (LM)	19
E-78-39 (LM)	20
E-78-29 (LM)	21 & 10
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E-78-32 (LM)	24
E-78-33 (LM)	25
E-78-34 (LM)	26
E-78-35 (LM)	27
E-78-40 (LM)	28 & 35
E-78-41 (LM)	29
E-78-41 (LM)	30A

City of Hamilton
Attn: Mr. W.L. Phillips, P.Eng.

Page 2

October 12, 1977

16.	Slab on Grade		\$	88,240.00
17.	Roofing and Sheet Metal			85,000.00
18.	Window Washing Equipment			11,800.00
19.	Demolition Parapet Wall Plaza Jackson Square			8,700.00
20.	a) Miscellaneous Metals			159,812.00
	b) Pipe Grid 5'-0" x 5'-0"			61,823.00
21.	Dock Levellers 2/no. 20,000 lbs. capacity			3,800.00
22.	Sandblasting			52,720.00
23.	Stainless Steel Exterior Wall Panels			252,980.00
24.	Masonry Block Partitions & Glass Blocks			45,000.00
25.	Aluminum Windows & Skylights			526,240.00
26.	H/M Doors and Frames	Supply Only		31,912.00
	Vault Door and Frames - 1/no.	Supply Only		1,000.00
	Finishing Hardware & Graphics	Supply Only		60,000.00
	Washroom Accessories	Supply Only		16,000.00
27.	Installation Work Item #26			15,000.00
28.	Manufactured Specialties (Supplied & Installed)			
	Flagpoles 2/no.			900.00
	Telephone Shelves			2,100.00
	Toilets Compartments			5,919.00
	Lockers			3,000.00
	Vault Shelving			1,500.00
	Exterior Signs			2,000.00
	Folding Partitions 3/no. (1-power Oper)			30,932.00
	Chalk and Tack Boards			1,500.00
29.	Drywall, Acoustical & Baffles			346,040.00
30.	Metal Partitions and Glass			126,000.00
31.	Interior Glazing, Mirrors & Kiosks			16,000.00
32.	Stainless Steel Entrance Doors			16,800.00
33.	Rough Carpentry			2,500.00
34.	Finish Carpentry Prefinished	Supply Only		
	Fitments, Counters, Cabinets and Vanities			48,190.00
	Doors Pl. Lam. S.C. & Grilles			
	Wood Slate Lecture Hall, Balconies, Wood Deck & Wood Handrailing			10,000.00

... cont'd page 3 ...

CONTRACT NO.	BID PACKAGE
E-77-20 (LM)	1
E-78-1 (LM)	2
E-78-6 (LM)	3
E-78-7 (LM)	4
E-78-10 (LM)	5 & 31
E-78-11 (LM)	6
E-78-12 (LM)	7
E-78-37 (LM)	8
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E-78-38 (LM)	14
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E-78-40 (LM)	28 & 35
E-78-41 (LM)	29
E-78-41 (LM)	30A

City of Hamilton
Attn: Mr. W.L. Phillips, P.Eng.

October 12, 1977

35.	Installation Work Item #34	\$ 34,126.00
36.	Miscellaneous Caulking	3,000.00
37.	Quarry Tile, Ceramic Tile & Non-Slip Pavers	83,189.00
38.	Painting and Vinyl Fabric	112,159.00
39.	Mail Box - 1/no.	1,000.00
40.	a) Overhead Doors Multi-Leaf - 3/no.	23,000.00
	H/M Doors & Frames - 2/no. - Installed	400.00
	b) Miscellaneous	
	Excavation & Backfilling, Forms, Concrete & Reinforcing Steel for:-	
	Bases Lights Standards, Flagpoles & Kiosks	15,000.00
	Stairs and Walls on Grade	11,431.00
41.	Vinyl Tile and Rubber Base	219,940.00
42.	Carpet	68,000.00
43.	Final Grading Top Soil, Sodding & Planting	2,000.00
44.	Traffic Signs	15,000.00
45.	Final Cleaning	
46.	Temporary Facilities & Miscellaneous Cost Plus Work	325,496.00
47.	Pigott Structures Management Fee	378,616.00
	Plus 50% Performance Bond of Pigott Fee	1,376.00
48.	Tunnel Construction:	
	Excavation & Backfilling	
	Forms, Concrete & Reinforcing Steel	
	Waterproofing & Weeping Tiles	
	Catchbasins	
	Retaining Wall, Stairs & Railings, Ramp Paving	
	Cutting through walls for O/H Doors & Floor for Depressed Slab	200,000.00
49.	Additional Escalator	104,000.00
	Concourse to Plaza - 1 way	30,500.00
50.	Relocation of 18" Ø Sewer	\$11,597,752.00
	Total Budget Price Estimated	
	Plus 5% Contingency Allowance of Total Budget Estimated	579,887.00
	Grand Total Including Contingency	\$12,177,639.00

... cont'd page 4 ...

CONTRACT NO.	BID PACKAGE
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E-78-40 (LM)	28 & 35
E-78-41 (LM)	29
E-78-41 (LM)	30A

City of Hamilton.
Attn: Mr. W.L. Phillips, P.Eng.

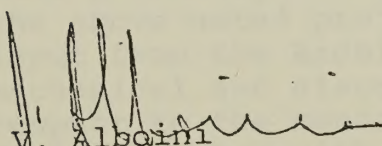
October 12, 1977

This Budget Price is based on very Preliminary Drawings, Sketches and Brief Outline Specifications dated, September 12th and 21st, 1977 and Meeting discussions with the Architects.

We trust that the foregoing meets with your approval and will be pleased to clarify any part of it at your convenience.

Yours very truly,

PIGOTT STRUCTURES COMPANY LIMITED


V. Albani
Project Manager

VA:gs

c.c.: Mr. Anthony Butler, Architect, MRAIC
Mr. J. L. Neilson, P. Eng.
Mr. John Begley, P. Eng.

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E-78-40(LM)	28 & 35
E-78-41(LM)	29
E-78-41(LM)	30A

PIGOTT STRUCTURES COMPANY LIMITED
ENGINEERS AND CONTRACTORS
P.O. BOX 309
HAMILTON, CANADA L8

Enter Please

October 26, 1977

RECEIVED
OCT. 9 1977

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON
DEPT. OF ENGINEERING
NOV 3 1977

The Corporation of the City of Hamilton
City Hall,
71 Main Street West,
HAMILTON, Ontario

Attention: Mr. W. L. Phillips, P. Eng.,
City Engineer

Re: Hamilton Central Library
and Farmer's Market
Preliminary Budget - First Revision

FILE NO.	301-0008.1
LETTER NO.	199-50
ROUTE	RECVD
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PLAN	ANS. BY
DESIGN	
CONST.	
C. SURV.	FILED BY
OPER	
MTCE	

Dear Sirs:

Since our meeting of October 13, 1977, we have made a thorough review of all the major items in the above noted project, including a significant input from the Architect and his structural, mechanical and electrical consultants. With respect to the mechanical and electrical work, we have worked with Comstock International Ltd., and have brought in since the October 17 meeting Mr. R. Wells for his input on mechanical and electrical as well.

Again, we must emphasize that we are using preliminary drawings, but with a greater detail of specification, and we have been working with at least one major contractor firm in order to develop this budget revision.

Revision 1 is based on the following:-

Items

1.	Hoarding and Jackson Square Window Protection	28,000
2.	Shoring Banks	80,000
3.	Excavation and Backfilling	236,000
4.	Forms and Concrete	2,151,000
5.	Reinforcing Steel and Mesh	869,000

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E-78-35(LM)	27
E-78-40(LM)	28 & 35
E-78-41(LM)	29
E-78-41(LM)	30A

October 26, 1977

6. Mechanical	2,450,000
7. Electrical	1,243,000
8. Waterproofing Foundation Walls	24,000
9. Waterproofing Exterior slabs and Planters	23,000
10. Elevators and Escalator	376,000
11. Conveyors	146,000
12. Weeping Tile and Stone Fill Exterior Walls	3,000
13. Structural Steel and Metal Grating	74,000
14. Steel Roof Deck	2,000
15. Slab on Grade	88,000
16. Roofing and Sheet Metal	85,000
17. Window Washing Equipment	12,000
18. Demolition Parapet Wall - Plaza Jackson Square	9,000
19a) Miscellaneous Metals	130,000
b) Pipe Grid 5'-0" x 5'-0"	62,000
20. Dock Levellers	4,000
21. Sandblasting	45,000
22. Stainless Steel Exterior Wall Panels	243,000
23. Masonry Block partitions and Glass Blocks	45,000
24. Aluminum Windows and Skylights	489,000
25. H/M Doors and Frames - Supply only	32,000
Finishing Hardware and Graphics - Supply only	60,000
Washroom Accessories - Supply only	16,000
26. Installation Work Item #25	15,000
27. Manufactured Specialties (Supplied and installed)	1,000
Flagpoles 2/No.	2,000
Telephone Shelves	6,000
Toilet Compartments	4,000
Exterior Signs	31,000
Folding Partitions 3/No. (1- Punch operated)	1,500
Chalk and Tackboards	321,000
28. Drywall, Acoustical and Baffles	61,500
29. Drywall and H/M Glazed Partitions	16,000
30. Interior Glazing, Mirrors and Kiosks	17,000
31. Stainless Steel Entrance Doors	9,000
32. Rough Carpentry	

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CONTRACT NO.	BID PACKAGE
E-77-20 (LM)	1
E-78-1 (LM)	2
E-78-6 (LM)	3
E-78-7 (LM)	4
E-78-10 (LM)	5 & 31
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E-78-34 (LM)	26
E-78-35 (LM)	27
E-78-40 (LM)	28 & 35
E-78-41 (LM)	29
E-78-41 (LM)	30A

THE CORPORATION OF THE CITY OF HAMILTON
Attention: Mr. W. L. Phillips

Page 3

October 26, 1977

33.	Finish Carpentry, Fitments - (Supply only)	
	Counters, Cabinest and Vanities " "	
	Doors Pl. Lam. S.C. & Grilles " "	48,000
	Wood slats Lecture Hall	
	Wood Deck Balconies	
	Wood Handrailing	10,000
34.	Installation Work Item #33	34,000
35.	Miscellaneous Caulking	3,000
36.	Quarry Tile, Ceramic Tile and non-slip pavers	83,000
37.	Painting and Vinyl Fabric	112,000
38.	Overhead Door 1/No. Multi-Leaf	12,000
39.	Misc. excavation and backfilling, forms, concrete and reinforcing steel for:	
	Concrete Bases light standards, Flagpoles	
	Kiosks, Stairs and Walls on Grade	15,000
40.	Vinyl Tile and Rubber Base	11,500
41.	Carpet	220,000
42.	Landscaping - Top Soil, Sodding and Planting	50,000
43.	Final cleaning	15,000
44.	Temporary facilities and Miscellaneous Cost Plus Work	325,000
45.	Pigott Structures Management Fee	378,616
	Plus 50% Performance Bond of Pigott Fee	1,376
Total Budget Price Revised		\$10,828,492

Included in the above noted figure for each of the bid packages is a contingency which we would estimate to be in the order of 5%. We expect this to be a reasonable figure given the preliminary nature of the information and the absence of competitive bidding at this point in time.

Not included in the above total budget figure are the following additional budget prices, which we understand are beyond the scope of the building budget.

a)	Tunnel construction	\$ 150,000
b)	Additional escalator:	
	concourse to plaza one way	\$ 104,000

Sales taxes - Federal Sales Tax - included
Provincial Sales Tax - Excluded

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CONTRACT O.	BID PACKAGE
-77-20(LM)	1
-78-1(LM)	2
-78-6(LM)	3
-78-7(LM)	4
-78-10(LM)	5 & 31
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-78-32(LM)	24
-78-33(LM)	25
-78-34(LM))	26
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-78-40(LM)	28 & 35
-78-41(LM)	29
-78-41(LM)	30A

PIGOTT STRUCTURES COMPANY LIMITED
ENGINEERS AND CONTRACTORS
P.O. BOX 309
HAMILTON, CANADA L8N 3G7

November 24, 1977

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OCT 9 1978

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

The Corporation of the City of Hamilton
City Hall
71 Main Street West
HAMILTON, Ontario
L8P 1H4

Attention: Mr. W. L. Phillips, P. Eng.
City Engineer

Re: 515 - Hamilton Central Library
and Farmer's Market
Budget Revision No. 3

Dear Sirs:

We have further reviewed the budget detail
for the above noted project, together with
the Architects, and submit herewith Cost
Detail as per enclosed.

All items listed include a reduced contingency
for interfacing. We stress at this time that
this budget is tight but still achievable.
Any further delay in the start of the project
will certainly lead to additional cost.

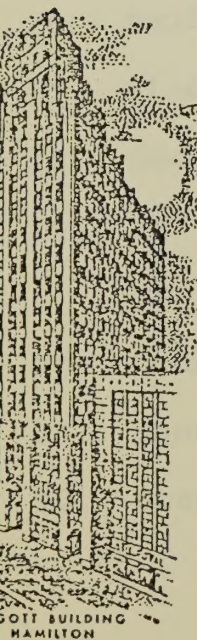
Yours very truly

PIGOTT STRUCTURES COMPANY LIMITED

J. L. Neilson, P. Eng.
Vice-President & General Manager

JLN/ma

c.c. Mr. A. Butler
Mr. V. Alboini



CONTRACT NO.	BID PACKAGE
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E-78-1 (LM)	2
E-78-6 (LM)	3
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E-78-10 (LM)	5 & 31
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E-78-35 (LM)	27
E-78-40 (LM)	28 & 35
E-78-41 (LM)	29
E-78-41 (LM)	30A

REVISED BUDGET NO. 3

FOR HAMILTON CENTRAL LIBRARY & FARMER'S MARKET

NOVEMBER 24, 1977

1.	Hoarding and Jackson Square Window Protection	\$ 25,000.00
2.	Shoring Banks	50,000.00
3.	Excavation and Backfilling	220,000.00
4.	Forms and Concrete	2,020,000.00
5.	Reinforcing Steel and Mesh	810,000.00
6.	Mechanical	2,350,000.00
7.	Electrical	1,190,000.00
8.	Waterproofing Foundation Walls	22,000.00
9.	Waterproofing Exterior Slabs and Planters	20,000.00
10.	Elevators and Escalator	342,000.00
11.	Conveyors	130,000.00
12.	Weeping Tile and Stone Fill Exterior Walls	3,000.00
13.	Structural Steel and Metal Grating	74,000.00
14.	Steel Roof Deck	2,000.00
15.	Slab on Grade	85,000.00
16.	Roofing and Sheet Metal	85,000.00
17.	Window Washing Equipment	12,000.00
18.	Demolition Parapet Wall - Plaza Jackson Square	8,000.00
19.	a) Miscellaneous Metals	120,000.00
	b) Pipe Grid 5'-0" x 5'-0"	60,000.00
20.	Dock Levellers	4,000.00
21.	Sandblasting	21,000.00
22.	Stainless Steel Exterior Wall Panels	230,000.00

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CONTRACT NO.	BID PACKAGE
E-77-20(LM)	1
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E-78-34(LM))	26
E-78-35(LM)	27
E-78-40(LM)	28 & 35
E-78-41(LM)	29
E-78-41(LM)	30A

23.	Masonry Block Partitions and Galss Blocks	\$ 43,000.00
24.	Aluminum Windows and Skylights	470,000.00
25.	H/M Doors and Frames - Supply Only	30,000.00
	Finishing Hardware and Graphics - Supply Only	55,000.00
	Washroom Accessories - Supply Only	14,000.00
26.	Installation Work Item No. 25	15,000.00
27.	Manufactured Specialties (Supplied and Installed)	
	Flagpoles 2/No.	1,000.00
	Telephones Shelves	2,000.00
	Toilet Compartments	6,000.00
	Exterior Signs	4,000.00
	Folding Partitions 3/No. (1 punch operated)	30,000.00
	Chalk and Tackboards	1,000.00
28.	Drywall, Acoustical and Baffles	305,000.00
29.	Drywall and H/M Glazed Partitions	59,000.00
30.	Interior Glazing, Mirrors and Kiosks	15,000.00
31.	Stainless Steel Entrance Doors	16,000.00
32.	Rough Carpentry	9,000.00
33.	Finish Carpentry, Fitments - (Supply Only)	
	Counters, Cabinets and Vanities (Supply Only)	46,000.00
	Doors Pl. Lam. S.C. & Grilles (Supply Only)	
	Wood Slats Lecture Hall, Wood Deck Balconies, Wood Handrailing	10,000.00
34.	Installation Work Item 33	32,000.00
35.	Miscellaneous Caulking	3,000.00
36.	Quarry Tile, Ceramic Tile and Non-slip Pavers	81,000.00
37.	Painting and Vinyl Fabric	108,000.00
38.	Overhead Door No. 1 Multi-Leaf	12,000.00

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CONTRACT NO.	BID PACKAGE
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E-78-38 (LM)	14
E-78-25 (LM)	15 & 16
E-78-27 (LM)	18
E-78-28 (LM)	19
E-78-39 (LM)	20
E-78-29 (LM)	21 & 10
E-78-30 (LM)	22
E-78-32 (LM)	24
E-78-33 (LM)	25
E-78-34 (LM)	26
E-78-35 (LM)	27
E-78-40 (LM)	28 & 35
E-78-41 (LM)	29
E-78-41 (LM)	30A

39.	Misc. excavation and backfilling, forms, concrete and reinforcing steel for: Concrete Bases light standards, Flagpoles Kiosks, Stairs and Walls on Grade	\$ 15,000.00
40.	Vinyl Tile and Rubber Base	11,000.00
41.	Carpet	210,000.00
42.	Landscaping - Top Soil, Sodding and Planting	30,000.00
43.	Final Cleaning	15,000.00
44.	Temporary Facilities and Miscellaneous Cost Plus Work	325,000.00
45.	Pigott Structures Management Fee	378,616.00
	Plus 50% Performance Bond of Pigott Fee	1,376.00
46.	Tunnel Construction	150,000.00
47.	Additional escalator: concourse to plaza one way	104,000.00
		\$10,490,000.00

Sales taxes - Federal - included.
 - Provincial - excluded.

Sewer Impost

Present Library and Market is Regional tax exempt, therefore, no sewer impost will apply.

Due to possible regional tax reform a cost of between .30¢ per sq. ft. gross area may go into effect.

This cost not included with the revised budget above and may never apply.

Insurances and Bonds (other than Pigott Bond)

Not knowing type required - not included.

CONTRACT NO.	BID PACKAGE
E-77-20 (LM)	1
E-78-1 (LM)	2
E-78-6 (LM)	3
E-78-7 (LM)	4
E-78-10 (LM)	5 & 31
E-78-11 (LM)	6
E-78-12 (LM)	7
E-78-37 (LM)	8
E-78-13 (LM)	9 & 11
E-78-14 (LM)	13
E-78-38 (LM)	14
E-78-25 (LM)	15 & 16
E-78-27 (LM)	18
E-78-28 (LM)	19
E-78-39 (LM)	20
E-78-29 (LM)	21 & 10
E-78-30 (LM)	22
E-78-32 (LM)	24
E-78-33 (LM)	25
E-78-34 (LM)	26
E-78-35 (LM)	27
E-78-40 (LM)	28 & 35
E-78-41 (LM)	29
E-78-41 (LM)	30A

C O S T D E T A I L

1. Area Separation.

a) Library	172,840 sq. ft.
b) Farmer's Market, including mezzanine (12,600 sq. ft.)	50,930 sq. ft.
c) Truck Access Route	5,005 sq. ft.
d) McMaster-Mohawk	4,240 sq. ft.
TOTAL	233,015 sq. ft.

2. Price Separation

We have estimated the cost of the Farmer's Market Area separately as accurately as possible given the difficult problem that all the area separations are integral parts of one structure.

Total Budget of October 26, 1977

Entire Building	\$10,236,000.00
Tunnel	150,000.00
Additional Escalator	104,000.00
GRAND TOTAL	\$10,490,000.00

Estimate of Farmer's Market Areas, including mezzanine and truck access route:-

Excavation and Backfill	\$ 170,000.00
Formwork	370,000.00
Concrete	201,000.00
Reinforcing Steel and Mesh	220,000.00
Rough Carpentry and Millwork	2,000.00
Hardware	1,000.00

..... Cont'd Page 2

CONTRACT NO.	BID PACKAGE
E-77-20(LM)	1
E-78-1(LM)	2
E-78-6(LM)	3
E-78-7(LM)	4
E-78-10(LM)	5 & 31
E-78-11(LM)	6
E-78-12(LM)	7
E-78-37(LM)	8
E-78-13(LM)	9 & 11
E-78-14(LM)	13
E-78-38(LM)	14
E-78-25(LM)	15 & 16
E-78-27(LM)	18
E-78-28(LM)	19
E-78-39(LM)	20
E-78-29(LM)	21 & 10
E-78-30(LM)	22
E-78-32(LM)	24
E-78-33(LM)	25
E-78-34(LM))	26
E-78-35(LM)	27
E-78-40(LM)	28 & 35
E-78-41(LM)	29
E-78-41(LM)	30A

	\$ 20,000.00
Hoarding	50,000.00
Shoring Banks	750,000.00
Mechanical & Electrical (see note 2 below)	23,000.00
Waterproofing & 1" Rigid Insulation	68,000.00
Escalator Market to Mezzanine (1 way)	57,000.00
Elevator No. 5 - Market to Mezzanine	10,000.00
Roofing & Sheet Metal (see note 3 below)	20,000.00
Miscellaneous Metals	2,000.00
Dock Levellers	3,000.00
Quarry Tile and Ceramic Tile	12,000.00
Overhead Door	1,000.00
Toilet Partitions	65,000.00
Temporary Facilities	
approximately 20% of 325,000	
Pigott Management Fee	76,000.00
approximately 20% of 378,000	25,000.00
Aluminum Windows and Entrances	4,000.00
Painting	
	\$2,150,000.00

Upon further review, we feel that the following points should be made:-

1. Structure

Footings are sized for the entire structure. There could be a credit here. However, we did not include the structural slabs over both the Market Mezzanine and the open well, approximately column lines 7 to 10 and A to D prime, since they are part of the library, but would be necessary if the market was built separately.

2. Mechanical and Electrical

We have adjusted the unit cost for the Market area compared to the overall building. We would estimate that the Market area unit price would be approximately \$14.00 per square foot.

3. Roofing

We have included an allowance of \$10,000 for roofing over the Market. This is very conservative if the Market was to be built separately.

..... Cont'd Page 3

CONTRACT NO.	BID PACKAGE
E-77-20 (LM)	1
E-78-1 (LM)	2
E-78-6 (LM)	3
E-78-7 (LM)	4
E-78-10 (LM)	5 & 31
E-78-11 (LM)	6
E-78-12 (LM)	7
E-78-37 (LM)	8
E-78-13 (LM)	9 & 11
E-78-14 (LM)	13
E-78-38 (LM)	14
E-78-25 (LM)	15 & 16
E-78-27 (LM)	18
E-78-28 (LM)	19
E-78-39 (LM)	20
E-78-29 (LM)	21 & 10
E-78-30 (LM)	22
E-78-32 (LM)	24
E-78-33 (LM)	25
E-78-34 (LM)	26
E-78-35 (LM)	27
E-78-40 (LM)	28 & 35
E-78-41 (LM)	29
E-78-41 (LM)	30A

Therefore, we may calculate the prices as follows:-

Total estimated cost of Farmer's Market, including Market, Mezzanine and Truck Access Route:-

$$2,150,000 \div 55,935 = \$38.44 \text{ per sq/ ft.}$$

Library and McMaster Mohawk (including escalator):-

$$\begin{array}{r} 10,340,000 \\ \text{less } 2,150,000 \\ \hline 8,190,000 \div 177,080 = \$46.25 \end{array}$$

In summary, the cost separation would be as follows:-

Library - 172,840 sq. ft. x \$46.25	\$ 7,994,000.00
McMaster-Mohawk - 4,240 sq. ft. x \$46.25	196,000.00
Farmer's Market including Mezzanine 50,930 sq. ft. x \$38.44	1,958,000.00
Truck Access Route - 5,005 sq. ft. x \$38.44	192,000.00
Tunnel	150,000.00
	<u>\$10,490,000.00</u>

Fed Tax

$$\begin{array}{r} 10,500,000.00 \\ 157,812 \\ \hline 10,342,650 \end{array}$$

Mc Mohawk -

$$\begin{array}{r} 210,000 \\ \hline 10,132,650 \end{array}$$

Tunnel etc.

$$\begin{array}{r} 342,000 \\ \hline 9,790,650 \end{array}$$

9,759,000

TRACT	BID PACKAGE
-20 (LM)	1
-1 (LM)	2
-6 (LM)	3
-7 (LM)	4
-10 (LM)	5 & 31
-11 (LM)	6
-12 (LM)	7
-37 (LM)	8
-13 (LM)	9 & 11
-14 (LM)	13
-38 (LM)	14
-25 (LM)	15 & 16
-27 (LM)	18
-28 (LM)	19
-39 (LM)	20
-29 (LM)	21 & 10
-30 (LM)	22
-32 (LM)	24
-33 (LM)	25
-34 (LM)	26
-35 (LM)	27
-40 (LM)	28 & 35
-41 (LM)	29
-41 (LM)	30A

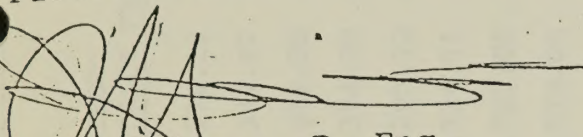
THE CORPORATION OF THE CITY OF HAMILTON
 Attention: Mr. W. L. Phillips

October 26, 1977

We trust the foregoing meets with your approval.

Yours very truly,

PIGOTT STRUCTURES COMPANY LIMITED


 J. L. Neilson, P. Eng.,
 Vice-President & General Manager

JLN:dm

cc: Mr. A. Butler, Architect,
 Mr. J. L. Neilson,
 Mr. J. Begley,
 Mr. V. Alboini

P.S. 1) Sewer Impost

Present Library and Market is Regional tax exempt,
 therefore, no sewer impost will apply.

Due to possible regional tax reform a cost of
 between .30¢ and .37¢ per sq. ft. gross area
 may go into effect.

This cost not included with the revised budget
 above and may never apply.

2) Insurances and Bonds

Not knowing type required - not included.

CONTRACT NO.	BID PACKAGE
E-77-20 (LM)	1
E-78-1 (LM)	2
E-78-6 (LM)	3
E-78-7 (LM)	4
E-78-10 (LM)	5 & 31
E-78-11 (LM)	6
E-78-12 (LM)	7
E-78-37 (LM)	8
E-78-13 (LM)	9 & 11
E-78-14 (LM)	13
E-78-36 (LM)	14
E-78-25 (LM)	15 & 16
E-78-27 (LM)	18
E-78-28 (LM)	19
E-78-39 (LM)	20
E-78-29 (LM)	21 & 10
E-78-30 (LM)	22
E-78-32 (LM)	24
E-78-33 (LM)	25
E-78-34 (LM)	26
E-78-35 (LM)	27
E-78-40 (LM)	28 & 35
E-78-41 (LM)	29
E-78-41 (LM)	30A

(REVISED SEPTEMBER 7, 197)

CONTRACT NO.	BID PACKAGE	DESCRIPTION	BUDGET	LOW TENDER	NET AMOUNT OF CHANGE OF CHARGE ORDERS APPROVED	NET AMOUNT OF CHANGE OF CHARGE ORDERS NOT APPROVED	REVISED CONTRACT PRICE
E-77-20(LM)	1	Excavation	\$ 210,000	\$ 141,201	\$ 2,224.87 CR*		\$ 138,976.13
E-78-1(LM)	2	Footings	238,000	238,542	3,805.92		242,347.92
E-78-6(LM)	3	Substructure	600,000	610,900	3,569.00		614,469.00
E-78-7(LM)	4	Conduit System	10,000	7,498	105.00 CR		7,393.00
E-78-10(LM)	5 & 31	Mechanical	2,293,000	2,535,000	141,099.54 CR	167,304.67	2,561,205.13
E-78-11(LM)	6	Electrical	1,150,000	1,345,667	53,182.00 CR	69,249.75	1,361,734.75
E-78-12(LM)	7	Elevators	434,000	450,315	55,535.00 CR		394,780.00
E-78-37(LM)	8	Conveyor	30,000	18,339			18,339.00
E-78-13(LM)	9 & 11	Superstructure & Structural Steel	2,100,000	2,455,000	45,832.62	687.60 CR	2,500,145.02
E-78-14(LM)	13	Roofing	115,000	209,770	73,597.00 CR		136,173.00
E-78-38(LM)	14	Exterior Wall Panels	224,000	167,600	27,198.00 CR		140,402.00
E-78-25(LM)	15 & 16	Aluminium Windows & Doors	442,000	798,213	533.00		798,746.00
E-78-27(LM)	18	Masonry	42,000	103,740	380.20 CR		103,359.80
E-78-28(LM)	19	Hollow Metal Doors	29,000	45,996	10,410.00	730.00	57,136.00
E-78-39(LM)	20	Hardware	54,000	44,519	1,095.00 CR	727.33	44,151.33
E-78-29(LM)	21 & 10	Misc. Metal Work	172,000	224,000	2,153.00 CR		221,847.00
E-78-30(LM)	22	Tunnel	226,000	238,144			238,144.00
E-78-32(LM)	24	Interior Glazing	15,000	49,295	1,788.88 CR	581.67 CR	46,924.45
E-78-33(LM)	25	Overhead Doors	23,000	18,632			18,632.00
E-78-34(LM)	26	Plastering, Drywall	160,000	233,000	2,468.00 CR	414.00 CR	230,118.00
E-78-35(LM)	27	Coffered Ceiling	132,000	53,040	7,911.50 CR		45,128.50
E-78-40(LM)	28 & 35	Quarry, Vinyl Tile	87,000	65,900			65,900.00
E-78-41(LM)	29	Painting	105,000	108,960	7,525.00	145.00 CR	116,340.00
E-78-41(LM)	30A	Washroom Accessories	9,000	7,849	1,575.00	97.72	9,521.72

*Note CR indicates Credit

CONTRACT NO.	BID PACKAGE	DESCRIPTION	BUDGET	LOW TENDER	NET AMOUNT OF CHANGE ORDERS APPROVED	NET AMOUNT OF CHANGE ORDERS, NOT APPROVED	REVISED CONTRACT PRICE
E-78-41(LM)	30B	Wardrobe Accessories	\$ 3,000	\$ 695			\$ 695.00
E-78-41(LM)	30C	Rolling Shutters	8,000	6,529			6,529.00
E-78-41(LM)	30D	Exp. Joint Covers, Foot Grille	3,000	2,422			2,422.00
E-78-42(LM)	32	Refinished Cabinet Work	55,000	193,865	7,867.00 CR	1,385.00	187,383.00
E-78-43(LM)	33 & 31	Hollow Metal Doors (Install)	57,000	94,873	54,502.20	174.00	149,549.20
E-78-44(LM)	34	Carpeting	193,000	216,645	186.22	3,000.00	219,831.22
E-78-46A(LM)	36A	Flag Pole	900	1,320			1,320.00
E-78-46B(LM)	36B	Toilet Compartments	5,900	11,713			11,713.00
E-78-46C(LM)	36C	Folding Partitions	28,000	16,500			16,500.00
E-78-46D(LM)	36D	Security Grilles	2,500	29,951			29,951.00
E-78-46E(LM)	36E	Ext. Sign Letters	4,000	1,484.50			1,484.50
E-78-46F(LM)	36F	Chalkboards & Tackboards	1,700	1,950			1,950.00
E-78-47(LM)	37	Misc. Concrete	48,000	158,031	651.34 CR	6,000.00	163,379.66
E-78-48(LM)	38	Caulking	4,000	5,470			5,470.00
			\$9,314,000	\$10,912,568.50	\$249,317.37CR	\$246,840.20	\$10,910,091.33

Allowances

Landscaping	\$ 30,000	\$30,000
Final Cleaning	15,000	15,000
Contingency (Including allowance for B.P. #12 and #23)	301,008	30,000.00
		15,000.00

W.L. PHILLIPS
B.A. SC., M.E.I.C., P. ENG.,
CITY ENGINEER
AND
CO-ORDINATOR
LLOYD D. JACKSON SQUARE



REFER TO FILE NO. 301-0008.1*

ATTENTION OF W. L. Phillips

YOUR FILE NO.

THE CORPORATION OF THE CITY OF HAMILTON

DEPARTMENT OF ENGINEERING
CITY HALL, HAMILTON
L8N 3T4

18 October 1979

RECEIVED

OCT 19 1979

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Legal Department

Att: Mr. K. A. Rouff,
City Solicitor

Re: Central Library and
Farmers' Market

Dear Sir:

As directed by the Working Committee, I forward herewith a copy of the following letters:

1. Letter dated 10 September 1979 from Mr. A. Butler to the Board of Control.
2. Letter dated 2 October 1979 from Mr. A. Butler to the Board of Control.
3. Letter dated 26 September 1979 from Pigott Construction Ltd. to the City Engineer.
4. Letter dated 15 October 1979 from Pigott Construction Ltd. to the City Engineer.
5. Letter dated 9 October 1979 from the City Engineer to the City Solicitor.
6. Letter dated 9 October 1979 from the City Engineer to Controller Morrow.

The Working Committee has requested that you review the above-mentioned correspondence and to outline any additional information you may require and also to provide the Committee with your comments on these letters. The Committee also requested that your reply be directed to the Working Committee through the Chairman, Controller Morrow. This reply is to be in confidence to the Committee only.

Continued.....

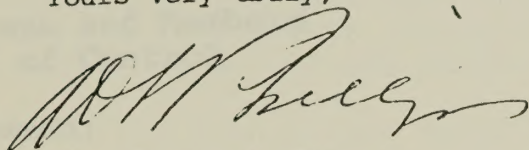
CONTRACT NO.	BID PACKA	
E-77-20(LN)	1	
E-78-1(LM)	2	
E-78-6(LM)	3	
E-78-7(LM)	4	
E-78-10(LN)	5 &	
E-78-11(LM)	6	
E-78-12(LM)	7	
E-78-37(LM)	8	
E-78-13(LM)	9 &	
E-78-14(LN)	13	
E-78-36(LM)	14	
E-78-25(LM)	15 &	
E-78-27(LM)	18	
E-78-28(LM)	19	
E-78-39(LM)	20	
E-78-29(LM)	21 &	
E-73-30(LM)	22	
E-78-32(LM)	24	
E-78-33(LN)	25	
E-78-34(LN))	26	
E-78-35(LM)	27	
E-78-40(LN)	28 &	
E-78-41(LM)	29	
E-78-41(LM)	30A	

Legal Department
18 October 1979

- 2 -

301-0008.1*
Continued.....

Yours very truly,



City Engineer and
Co-ordinator, Lloyd D. Jackson Square.

WLP:jb
Encl.

c. c. Controller R. M. Morrow

CONTRACT NO.	BID PACKA
E-77-20(LM)	1
E-78-1(LM)	2
E-78-6(LM)	3
E-78-7(LM)	4
E-78-10(LM)	5 &
E-78-11(LM)	6
E-78-12(LM)	7
E-78-37(LM)	8
E-78-13(LM)	9 &
E-78-14(LM)	13
E-78-38(LM)	14
E-78-25(LM)	15 &
E-78-27(LM)	18
E-78-28(LM)	19
E-78-39(LM)	20
E-78-29(LM)	21 &
E-78-30(LM)	22
E-78-32(LM)	24
E-78-33(LM)	25
E-78-34(LM)	26
E-78-35(LM)	27
E-78-40(LM)	28 &
E-78-41(LM)	29
E-78-41(LM)	30A

10 September 1979

REFERRED TO IN SECTION 15
OF THE FORTY-FIRST REPORT
OF THE BOARD OF CONTROL
RECEIVED
OCT 19 1979
LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Chairman and Members
Board of Control

Gentlemen:

Re: Hamilton Central Library and Farmers' Market

At the Board Meeting this morning, I was requested to review the letter prepared by Mr. Rouff dated 7 September 1979, and to provide my comments by 5:00 p.m. today. The following points respond to the questions and comments in Mr. Rouff's letter, found in Section II. We have numbered the questions for convenience.

- 1. Why must the mechanical works be updated to conform with the architectural drawings?

In his letter to you dated 17 August 1979, Mr. Phillips explained that it was necessary to update the mechanical work, the contract for which was awarded in the spring of 1978, to conform with the architectural drawings which were completed in November 1978. As I explained to you in my letter of 7 September 1979, it is an inherent characteristic of the sequential tendering process used with construction management that changes will be required for work specified in one bid package which is not compatible with the work of other bid packages issued later.

The standard Change Notice/Change Order procedure which is being followed on this project ensures that no changes are made on the site until a Change Order is issued with the approval of Board of Control and Council.

- 2. How is the \$118,774.43 made up?

(a) The Change Notices, upon which the contractor's quotations are based, give the detail of the work included. When the contractor's quotation is received, an itemized statement is required and reviewed thoroughly by ourselves and our consulting engineers, prior to our recommending to Mr. Phillips that a Change Order should be issued.

(b) Mr. Rouff also questions why the mechanical work for the tunnel was not included in the tunnel bid package. At the time of going to tender with the documents for Bid Package 5 (Mechanical), the proposed tunnel design had not been accepted by Yale Properties. It was subsequently recommended by us, and accepted by Mr. Phillips, that the mechanical work in connection with the tunnel should be made the responsibility of the Bid Package 5 contractor by Change Notice and Change Order. The alternative, to include the tunnel mechanical work

..... 2

CONTRACT NO.	BID PACKAGE
E-77-20(LM)	1
E-78-1(LM)	2
E-78-6(LM)	3
E-78-7(LM)	4
E-78-10(LM)	5 &
E-78-11(LM)	6
E-78-12(LM)	7
E-78-37(LM)	8
E-78-13(LM)	9 &
E-78-14(LM)	13
E-78-38(LM)	14
E-78-25(LM)	15 &
E-78-27(LM)	18
E-78-28(LM)	19
E-78-39(LM)	20
E-78-29(LM)	21 &
E-78-30(LM)	22
E-78-32(LM)	24
E-78-33(LM)	25
E-78-34(LM)	26
E-78-35(LM)	27
E-78-40(LM)	28 &
E-78-41(LM)	29
E-78-41(LM)	30A

Chairman and Members
Board of Control
10 September 1979

..... 2

in the tunnel bid package, might have resulted in a separate mechanical contractor being responsible for that portion of the work, which was not desirable.

3. Why must the electrical work be updated to conform to the architectural drawings?

Our comments are the same as under Item 1 above.

4. Why is the procedure to be changed to have the partitions installed before the carpeting?

A review with the Construction Manager of the sequence of work on the site indicated that it was essential that the procedure should be changed, to avoid delay in completion of the project. As you know, the cost of this change has now been reduced, following negotiations with the bid package contractor, to an extra of \$3,000.00.

5. Should "precast pavers" be included in the estimates for this project?

As you know, the sidewalk construction has been changed, for an extra cost to the project of \$6,000.00.

6. Why was the fee of \$20,000.00 for a structural engineer not included in the budget?

Our agreement with the City provides for the provision of such extra services, if the client agrees. We recommended to Mr. Phillips, in our letter of 16 November 1978, that these extra consulting services should be provided.

7. Cost of project

No comment.

8. Claims arising from "delay".

We recommended to Mr. Phillips that the standard general conditions for the construction contracts, which are used throughout Canada, should be used for this project. We cannot accept the statement that we are responsible for the time subsequently required to develop special general conditions, different from those normally recognized by the entire construction industry.

9. Questions from 1978 "Over-run".

No comment.

Yours very truly,

Anthony Butler

Anthony Butler Architect
11 Dundurn Street North, Hamilton
Brook Carruthers Shaw Architects
200 Adelaide Street West, Toronto

Anthony Butler

CONTRACT NO.	BID PACKAGE
E-77-20 (LM)	1
E-78-1 (LM)	2
E-78-6 (LM)	3
E-78-7 (LM)	4
E-78-10 (LM)	5 &
E-78-11 (LM)	6
E-78-12 (LM)	7
E-78-37 (LM)	8
E-78-13 (LM)	9 &
E-78-14 (LM)	13
E-78-38 (LM)	14
E-78-25 (LM)	15 &
E-78-27 (LM)	18
E-78-28 (LM)	19
E-78-39 (LM)	20
E-78-29 (LM)	21 &
E-78-30 (LM)	22
E-78-32 (LM)	24
E-78-33 (LM)	25
E-78-34 (LM)	26
E-78-35 (LM)	27
E-78-40 (LM)	28 &
E-78-41 (LM)	29
E-78-41 (LM)	30A

ANTHONY BUTLER / BROOK CARRUTHER, CHAW
Associated Architects for the Hamilton Central Library and Farmers' Market

11 Dundurn Street North, Hamilton, L8R 3C8, telephone (416) 527-2961

2 October 1979

RECEIVED

OCT 19 1979

Board of Control
City Hall
Hamilton, Ontario

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Re: Hamilton Central Library and Farmers' Market

Dear Sirs:

Further to the recent request from Mr. Collier, the following points summarize the events which led up to an increase in cost for the above project.

1. The original budget for the Library was established in May 1975, based on the area for the new Library defined in the Programming Study and Site Selection Report, and a projected start of construction in March 1976.
2. A preliminary estimate of the cost of the Market was made in June 1975, before any programming or design work had commenced. In his letter to the Downtown Redevelopment Committee, dated 23 June 1975, Mr. Phillips stated "the estimate is preliminary only and should be used only in determining an estimate of the design fee."
3. The amounts described above were subsequently incorporated in the capital budget for the Library and Market.
4. Following completion of our design for the new building in September 1976, we submitted a design stage budget estimate to Mr. Phillips on 28 December 1976. This estimate was higher than the amount carried in the capital budget for the following reasons:
 - (a) Inclusion of a truck tunnel
 - (b) Provision of accommodation for the Mohawk/McMaster Centre
 - (c) A tender call not later than October 1977
5. The City applied to the Ontario Municipal Board for approval of funding for the Library and Market, based on the original amounts included in the capital budget. OMB approval was received on 5 April 1977.
6. On 31 May 1977, Council approved the Board of Control recommendation that the construction of the Library and Market should be carried out using the construction management method. The report of Board of Control went on to state: "Under this method, a series of tender calls will be made for the various construction trades. This will permit tenders to be called for the earlier parts of construction while the detailed design

..... 2

FILE NO. 301-00081*	
LETTER NO. 321-68	
DEPT. OF ENGINEERING	
OCT 3 1979	
READ BY	ANS BY
D.E.	D.F.S.
O.M.	D.F.S. 2
PLAN	UTIL
DEV.	DRAFT
CONST	SPECS
C. SURV	C. ACC
FIEC	SEC. C.F.

CONTRACT O.	BID PACKA	
-77-20 (LM)	1	
-78-1 (LM)	2	
-78-6 (LM)	3	
-78-7 (LM)	4	
-78-10 (LM)	5	
-78-11 (LM)	6	
-78-12 (LM)	7	
-78-37 (LM)	8	
-78-13 (LM)	9	
78-14 (LM)	13	
78-36 (LM)	14	
78-25 (LM)	15	
78-27 (LM)	18	
78-28 (LM)	19	
78-39 (LM)	20	
78-29 (LM)	21	
78-30 (LM)	22	
78-32 (LM)	24	
78-33 (LM)	25	
78-34 (LM)	26	
78-35 (LM)	27	
8-40 (LM)	28	
8-41 (LM)	29	
8-41 (LM)	30A	

Board of Control
2 October 1979

..... 2

and preparation of documents for the latter parts of the work are being completed. The main advantage of this system is to achieve an early start of construction on the site."

7. The Construction Manager was appointed by Council at its meeting on 30 August 1977.

8. The Construction Manager proceeded immediately to prepare an estimate for the cost of construction of the building, and in October 1977 submitted an estimate of \$11,600,000.00 plus a 5% contingency allowance.

9. It became evident that the City did not wish at that time to change budgets which had already been approved by the OMB. The Construction Manager's estimate was reviewed in detail, and it was agreed that a "target" budget of \$10,490,000.00 be established, and that the final tendered cost could conceivably be within the budget provided market conditions remained favourable, that full competitive tendering was achieved, and that the project proceeded without delay. The target budget included a much reduced contingency allowance.

10. The first bid package was issued for tendering in December 1977. Further bid packages were prepared for tender in sequence, until all tenders had been received by November 1978.

11. As tenders were received, it became evident that the target budget could not be achieved, and Council approved increases in the budget in July and November 1978. Neither of these increases included any provision for an increase in the contingency allowance.

12. As documents were completed for the later bid packages, the information included in earlier bid packages was reviewed, and Change Notices prepared to update them to conform with the final details. The reduced contingency allowance proved insufficient to cover the cost of the necessary updating, resulting in the request for approval of a further increase in the budget for the project.

13. The current cost of the building is \$12,062,000.00, plus a contingency allowance of \$250,000.00, for a total budget of \$12,312,000.00. The current cost represents a square foot cost of \$51.76 for the entire project, which compares very favourably with other recently completed projects in downtown Hamilton or with the Toronto Reference Library, all of which (with the exception of the new Police Building) exceeded \$55.00 per square foot.

Yours very truly,
Anthony Butler
Anthony Butler

c.c. W. L. Phillips
V. C. Catchick

Anthony Butler Architect
11 Dundurn Street North, Hamilton

CONTRACT NO.	BID PACKAGE
E-77-20 (LM)	1
E-78-1 (LM)	2
E-78-6 (LM)	3
E-78-7 (LM)	4
E-78-10 (LM)	5 &
E-78-11 (LM)	6
E-78-12 (LM)	7
E-78-37 (LM)	8
E-78-13 (LM)	9 &
E-78-14 (LM)	13
E-78-38 (LM)	14
E-78-25 (LM)	15 &
E-78-27 (LM)	18
E-78-28 (LM)	19
E-78-39 (LM)	20
E-78-29 (LM)	21 &
E-78-30 (LM)	22
E-78-32 (LM)	24
E-78-33 (LM)	25
E-78-34 (LM)	26
E-78-35 (LM)	27
E-78-40 (LM)	28 &
E-78-41 (LM)	29
E-78-41 (LM)	30A



Pigott Construction Limited - Hamilton Division
4 Hughson Street South - P.O. Box 309, Hamilton, Ontario, L8N 3G7

September 26, 1979

Corporation of the City of Hamilton
City Hall
P. O. Box 2040
HAMILTON, Ontario
L8N 3T4

Attention: Mr. W. L. Phillips

Re: 515 - Hamilton Central Library
and Farmers' Market

Dear Sirs:

In accordance with our recent discussions, we are listing herewith the main items contributing to the most recent construction budget overrun, which budget is provided to you routinely on a monthly basis.

The items are as follows:-

- (1) Pigott's 22-Month Construction Management Contract extended by a period of approximately 3½ months from a November 3, 1979 termination date to a February 20, 1980 termination date. This matter has been fully covered in earlier correspondence between Pigott and the City\$ 61,767.00
- (2) Increase in Pigott Site Work Allowance as a result of the aforementioned extended contract period, the costs being largely related to temporary winter heating of the project for an additional winter season\$ 67,400.00

FILE NO. 301-0008-1*			
LETTER NO. 321-72			
DEPT. OF ENGINEERING			
SEP 28 1979			
READ BY	ANS BY	FILED BY	
HWP			
D.E.		DES	
O.M.		DES. 2	
PLAN		UTIL	
DEV.		DRAFT	
CONST	SA	SPECS	
C. SURV		C. ACC	
ELEC		SEC C E	

RECEIVED
OCT 19 1979
LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Telephone (416) 522-1341

CONTRACT NO.	BID PACKAGE
E-77-20(LM)	1
E-78-1(LM)	2
E-78-6(LM)	3
E-78-7(LM)	4
E-78-10(LM)	5
E-78-11(LM)	6
E-78-12(LM)	7
E-78-37(LM)	8
E-78-13(LM)	9
E-78-14(LM)	13
E-78-38(LM)	14
E-78-25(LM)	15
E-78-27(LM)	18
E-78-28(LM)	19
E-78-39(LM)	20
E-78-29(LM)	21
E-78-30(LM)	22
E-78-32(LM)	24
E-78-33(LM)	25
E-78-34(LM)	26
E-78-35(LM)	27
E-78-40(LM)	28
E-78-41(LM)	29
E-78-41(LM)	30A



Corporation of the City of Hamilton
Atten: Mr. W. L. Phillips
September 26, 1979

Page 2

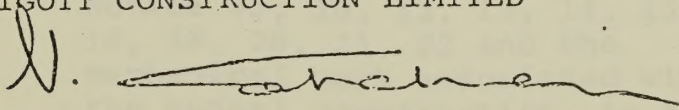
Re: 515 - Hamilton Central Library
and Farmers' Market

- (3) Miscellaneous Mechanical Work covered by Architect's Change Notices 5, 10, 12, 13 and 20 and subsequently authorised by City Change Order 7 in the amount of \$118,774.43 \$118,774.43
- (4) Miscellaneous Electrical Work covered by Architect's Change Notices 7, 7A, 15, 16 and 18 and subsequently authorised by City Change Order 8 in the amount of \$47,520.75 \$ 47,520.75
- (5) Miscellaneous Minor Work across several bid packages amounting to about \$5,000.00 total..... \$ 5,000.00

It should be noted that as construction progresses, there will be further changes to the work which almost certainly will result in further added costs to the City and for which a budget contingency allowance should be carried.

Yours very truly

PIGOTT CONSTRUCTION LIMITED


V. C. Catchick
General Manager
Hamilton Division

VCC/cjm

c.c. Mr. A. Butler

CONTRACT NO.	BID PACKAGE
E-77-20(LN)	1
E-78-1(LM)	2
E-78-6(LM)	3
E-78-7(LM)	4
E-78-10(LM)	5 &
E-78-11(LM)	6
E-78-12(LM)	7
E-78-37(LM)	8
E-78-13(LM)	9 &
E-78-14(LN)	13
E-78-38(LM)	14
E-78-25(LM)	15 &
E-78-27(LM)	18
E-78-28(LM)	19
E-78-39(LM)	20
E-78-29(LM)	21 &
E-78-30(LM)	22
E-78-32(LM)	24
E-78-33(LN)	25
E-78-34(LN)	26
E-78-35(LN)	27
E-78-40(LN)	28 &
E-78-41(LN)	29
E-78-41(LN)	30A

PIGOTT CONSTRUCTION LIMITED
ENGINEERS AND CONTRACTORS
P.O. BOX 309
HAMILTON, CANADA L8N 3G7

October 15, 1979

RECEIVED

OCT 19 1979

The Corporation of the
City of Hamilton,
P.O. Box 2040,
Hamilton, Ontario

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Attention: Mr. W. L. Phillips

Dear Sir:

Re: #515 - Hamilton Central Library
and Farmers' Market

FILE NO.			
LETTER NO. <u>325-60</u>			
DEPT. OF ENGINEERING			
OCT 19 1979			
READ BY	ANS BY	FILED BY	
DES.		DES.	
O.M.		DES. 2	
PLAN		UTIL	
REV.		DRAFT	
CORRECT		SPEC	
C. CURV		C. ACC	
ELIC		SEC C.E.	

In accordance with your request of October 12/79, the following is a listing of Architect's Change Notices, detailed in our "Working Budget Update" for July 31/79 which were in the pricing and approval process at that time.

1) Bid Package No. 5 - Mechanical

Approximate
Price Range

Miscellaneous mechanical work covered by Architect's Change Notice #5, 10, 12, 13, 14, 15, 16, 18, 20, 21, 22 and the mechanical work associated with the tunnel construction, in the approximate amount of \$167,304.67

2) Bid Package No. 6 - Electrical

Miscellaneous electrical work covered by Architect's Change Notice #7, 7A, 10, 14, 15, 16, 17, 18 in the approximate amount of \$ 69,249.75

3) Bid Package No. 34 - Carpeting

Architect's Change Notice #3 originally priced by the Bid Package contractor in the amount of \$17,999.75 later revised to \$ 3,203.00

... Cont'd Page 2 ...

CONTRACT NO.	BID PACKAGE
E-77-20 (LM)	1
E-78-1 (LM)	2
E-78-6 (LM)	3
E-78-7 (LM)	4
E-78-10 (LM)	5 &
E-78-11 (LM)	6
E-78-12 (LM)	7
E-78-37 (LM)	8
E-78-13 (LM)	9 &
E-78-14 (LM)	13
E-78-38 (LM)	14
E-78-25 (LM)	15 &
E-78-27 (LM)	18
E-78-28 (LM)	19
E-78-39 (LM)	20
E-78-29 (LM)	21 &
E-78-30 (LM)	22
E-78-32 (LM)	24
E-78-33 (LM)	25
E-78-34 (LM)	26
E-78-35 (LM)	27
E-78-40 (LM)	28 &
E-78-41 (LM)	29
E-78-41 (LM)	30 &

The Corporation of the City of Hamilton,
Attention: Mr. W. L. Phillips

Page 2

October 15, 1979

4) Bid Package No. 37 - Misc. Concrete

Approximate
Price Range

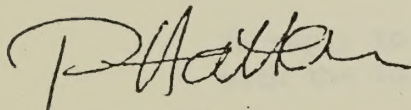
Miscellaneous work to the sidewalk of
York Street originally priced by the
Bid Package contractor in the amount
of \$38,968.22. Revised by the City
Engineering Department to a budget
amount of \$6,000.00

Miscellaneous work in other bid packages
in the approximate amount of \$1,285.78

It should be noted that a number of these prices were not
finalized with the Bid Package contractors at the time of
the July "Working Budget Update" and the final costs may
vary from the amounts shown above.

Yours very truly,

PIGOTT CONSTRUCTION LIMITED



P. Hatton,
Project Engineer

PH:dm

cc: A. Butler

CONTRACT NO.	BID PACKA NO.
E-77-20(LN)	1
E-78-1(LM)	2
E-78-6(LM)	3
E-78-7(LM)	4
E-78-10(LN)	5
E-78-11(LN)	6
E-78-12(LM)	7
E-78-37(LM)	8
E-78-13(LM)	9
E-78-14(LN)	13
E-78-38(LM)	14
E-78-25(LM)	15
E-78-27(LM)	18
E-78-28(LM)	19
E-78-39(LM)	20
E-78-29(LM)	21
E-78-30(LM)	22
E-78-32(LM)	24
E-78-33(LM)	25
E-78-34(LN)	26
E-78-35(LM)	27
E-78-40(LN)	28
E-78-41(LM)	29
E-78-41(LM)	30

9 October 1979

RECEIVED

OCT 19 1979

Legal Department

Att: Mr. K. A. Rouff,
City SolicitorRe: Central Library and
Farmers' MarketLEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Dear Sir:

In reply to your letter, dated 23 November 1978, I provide you with the following information:-

- 1 To my knowledge, the first estimate prepared by Mr. Butler was in November 1976.
- 2 (1) The review was carried out by Mr. Butler, his associates and/or his staff.
- 2 (2) The analysis and changes referred to in a letter, dated 15 September 1978 from Mr. Butler, were made by Mr. Butler and/or his associates and staff. These changes would have been made between November 1976 and October 1977 and after October 1977 as indicated in the letter.
- 2 (3) I do not feel that this question is applicable.
- 3 (1) The first schedule was prepared by Pigott Structures Co. Ltd. on 9 January 1978.
- 3 (2) There were four revisions to this schedule with the latest, dated 20 August 1979.
- 3 (3) Construction commenced on 2 January 1978.

Continued.....

CONTRACT NO.	BID PACKA
E-77-20(LN)	1
E-78-1(LM)	2
E-78-6(LM)	3
E-78-7(LM)	4
E-78-10(LM)	5 &
E-78-11(LM)	6
E-78-12(LM)	7
E-78-37(LM)	8
E-78-13(LM)	9 &
E-78-14(LN)	13
E-78-38(LM)	14
E-78-25(LM)	15 &
E-78-27(LM)	18
E-78-28(LM)	19
E-78-39(LM)	20
E-78-29(LM)	21 &
E-78-30(LM)	22
E-78-32(LM)	24
E-78-33(LM)	25
E-78-34(LM)	26
E-78-35(LM)	27
E-78-40(LN)	28 &
E-78-41(LM)	29
E-78-41(LM)	30 &

- 3 (4) In this question you refer to 16 deletions and changes as listed by Mr. Butler. I assume that you are referring to the 17 deletions and changes outlined in the letter, dated 15 September 1978 from Mr. Butler. It would appear to me that none of these changes would affect the function and operation of the project.
- 4 (a) In this question you refer to Aluminium Products Company Ltd. I assume that you mean Sentinel Aluminium Products Co. Ltd.

It must be understood that Sentinel did not prepare any budget for this project. The budget was prepared by Pigott and during this preparation they obtained information and costs from suppliers and installation contractors. In this case, Pigott obtained information from Sentinel. In the letter referred to, Sentinel are indicating that the items listed were not included in the information supplied to Pigott. There is no indication as to which budget they refer to in their letter.

- 4 (b) There were no plans and specifications available when the budget was prepared by Pigott. The plans and specifications were prepared prior to the calling of tenders. Therefore, the plans and specifications were not amended as such.
- 5 (1) As stated above, there were no plans and specifications at the time of preparing the budget. The architect is responsible for the content of the plans and specifications.
- 5 (2) In this question you asked if they were of the finest materials? Many different meanings can be given to the word "finest". From my knowledge the architect specified acceptable materials for this project. However, if you wish to clarify this question, I will attempt to provide the information, if possible.
- 5 (3) The "so called" changes were made by the architect and, as far as I know, the Construction Manager and myself were not involved in this process. The plans and specifications were prepared during the design process prior to calling tenders.
- 5 (4) The final plans and specifications were prepared just prior to calling tenders for each bid package. A copy of the three budgets prepared by Pigott are attached herewith.

Continued.....

CONTRACT NO.	BID PACKA
E-77-20(LN)	1
E-78-1(LM)	2
E-78-6(LM)	3
E-78-7(LM)	4
E-78-10(LN)	5 &
E-78-11(LM)	6
E-78-12(LN)	7
E-78-37(LM)	8
E-78-13(LM)	9 &
E-78-14(LN)	13
E-78-36(LM)	14
E-78-25(LM)	15 &
E-78-27(LM)	18
E-78-28(LM)	19
E-78-39(LM)	20
E-78-29(LM)	21 &
E-78-30(LM)	22
E-78-32(LM)	24
E-78-33(LM)	25
E-78-34(LM)	26
E-78-35(LM)	27
E-78-40(LN)	28 &
E-78-41(LM)	29
E-78-41(LM)	30A

Legal Department
9 October 1979

- 3 -

301-0008.1*
Continued.....

- 6 The reports you requested were not prepared in detail and therefore, are not available.
7. With regard to Table I, it has been revised several times and I attach, herewith, a copy of the latest revision.

Yours very truly,

City Engineer and
Co-ordinator, Lloyd D. Jackson Square.

WLP:jb
Attch.

CONTRACT NO.	BID PACKA
E-77-20(LM)	1
E-78-1(LM)	2
E-78-6(LM)	3
E-78-7(LM)	4
E-78-10(LM)	5 &
E-78-11(LM)	6
E-78-12(LM)	7
E-78-37(LM)	8
E-78-13(LM)	9 &
E-78-14(LM)	13
E-78-38(LM)	14
E-78-25(LM)	15 &
E-78-27(LM)	18
E-78-28(LM)	19
E-78-39(LM)	20
E-78-29(LM)	21 &
E-78-30(LM)	22
E-78-32(LM)	24
E-78-33(LM)	25
E-78-34(LM)	26
E-78-35(LM)	27
E-78-40(LM)	28 &
E-78-41(LM)	29
E-78-41(LM)	30A

1944-1945
1946-1947

1948-1949
1950-1951

The records of the Department of the Interior
and the Bureau of Land Management
show that the land was acquired by the
Government in 1916. It was then
set aside as a national monument.
The land was then transferred to the
Bureau of Land Management in 1933.
The land was then transferred to the
Bureau of Reclamation in 1939.
The land was then transferred to the
Bureau of Indian Affairs in 1946.
The land was then transferred to the
Bureau of Reclamation in 1948.
The land was then transferred to the
Bureau of Reclamation in 1950.
The land was then transferred to the
Bureau of Reclamation in 1951.

The records of the Department of the Interior
and the Bureau of Land Management
show that the land was acquired by the
Government in 1916. It was then
set aside as a national monument.
The land was then transferred to the
Bureau of Land Management in 1933.
The land was then transferred to the
Bureau of Reclamation in 1939.
The land was then transferred to the
Bureau of Indian Affairs in 1946.
The land was then transferred to the
Bureau of Reclamation in 1948.
The land was then transferred to the
Bureau of Reclamation in 1950.
The land was then transferred to the
Bureau of Reclamation in 1951.

1952-1953
1954-1955

Year	Acres	Value
1916	10,000	\$100,000
1917	10,000	\$100,000
1918	10,000	\$100,000
1919	10,000	\$100,000
1920	10,000	\$100,000
1921	10,000	\$100,000
1922	10,000	\$100,000
1923	10,000	\$100,000
1924	10,000	\$100,000
1925	10,000	\$100,000
1926	10,000	\$100,000
1927	10,000	\$100,000
1928	10,000	\$100,000
1929	10,000	\$100,000
1930	10,000	\$100,000
1931	10,000	\$100,000
1932	10,000	\$100,000
1933	10,000	\$100,000
1934	10,000	\$100,000
1935	10,000	\$100,000
1936	10,000	\$100,000
1937	10,000	\$100,000
1938	10,000	\$100,000
1939	10,000	\$100,000
1940	10,000	\$100,000
1941	10,000	\$100,000
1942	10,000	\$100,000
1943	10,000	\$100,000
1944	10,000	\$100,000
1945	10,000	\$100,000
1946	10,000	\$100,000
1947	10,000	\$100,000
1948	10,000	\$100,000
1949	10,000	\$100,000
1950	10,000	\$100,000
1951	10,000	\$100,000
1952	10,000	\$100,000
1953	10,000	\$100,000
1954	10,000	\$100,000
1955	10,000	\$100,000

K. A. ROUFF
CITY SOLICITOR



THE CORPORATION OF THE CITY OF HAMILTON
OFFICE OF THE CITY SOLICITOR

YOUR FILE NO.

REPLY ATTENTION: K. A. Rouff

OUR FILE NO.

30-2.19(a)

FILE NO. 267-79

LETTER NO. 267-79
DEPT. OF ENGINEERING
HAMILTON, ONTARIO
LBN 374
TELE 327-0221
NOV 24 1978

November 1978

OCT 19 1978

RECEIVED
CITY DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Mr. W. L. Phillips,
City Engineer and Co-ordinator,
Lloyd D. Jackson Square.

Dear Mr. Phillips:

Re: Library - Farmers' Market

READ BY	ANS BY	FILED BY
D.E.	DES	
O.M.	D.S. 2	
PLAN	UTIL	
DEV.	DRIFT	
CONST	SPECN	
C. SURV	C. ACC	
ELEC	REC'D E	

In the process of assessing the City's legal position on this matter of cost overrun, I wish to solicit your assistance for answers to a number of preliminary questions.

1. When was the first estimate prepared by Mr. Butler, the Architect, following his appointment in July of 1975?
2. (1) In Mr. Butler's letter to you of September 15, 1978, he makes reference to two budgets, one in November, 1976 by F. W. Woodcock and Associates and one by Pigott Structures Company Limited, in October of 1977. Mr. Butler states that following the Woodcock budget of 1976, an extensive review based on this budget was carried out. Please advise who carried out this review.
- (2) Further, Mr. Butler says that many adjustments were analyzed and major changes made. Who made these changes and analyses and when did they occur?
- (3) Please also advise, where applicable, as to whether these changes are in accordance with the requirements of The Building Code.

.....continued

CONTRACT NO.	BID NO.	PACKAGE
E-77-20 (LM)	1	
E-78-1 (LM)	2	
E-78-6 (LM)	3	
E-78-7 (LM)	4	
E-78-10 (LM)	5 &	
E-78-11 (LM)	6	
E-78-12 (LM)	7	
E-78-37 (LM)	8	
E-78-13 (LM)	9 &	
E-78-14 (LM)	13	
E-78-38 (LM)	14	
E-78-25 (LM)	15 &	
E-78-27 (LM)	18	
E-78-28 (LM)	19	
E-78-39 (LM)	20	
E-78-29 (LM)	21 &	
E-78-30 (LM)	22	
E-78-32 (LM)	24	
E-78-33 (LM)	25	
E-78-34 (LM)	26	
E-78-35 (LM)	27	
E-78-40 (LM)	28 &	
E-78-41 (LM)	29	
E-78-41 (LM)	30A	

3.

Schedule

- (1) When was the first schedule for construction of this project prepared by Mr. Butler, the Architect, and/or the Construction Manager, Pigott Structures Company Limited?
- (2) Was there more than one schedule and, if so, how many and when were they prepared?
- (3) When did construction first commence?
- (4) Please advise what effect would the 16 deletions or changes, as listed by Mr. Butler, have on the function and operation of the project, with particular reference to,
- (a) deletion of water storage reservoir under Market floor;
 - (b) change of roof structure over Market from space frames to concrete;
 - (c) deletion of stainless steel exterior doors to aluminum or wood.

4.

Aluminum Products Company Limited, in its letter of August 16, 1978 to Pigott Structures Company Limited, lists 7 items totalling \$240,000.00 which it states were not included in the "original budget pricing". It will be helpful to have your comments as to,

- (a) the date and particular budget to which Aluminum Products Company Limited is referring; and
- (b) why these items were not in the original plans and specifications and at what time were the plans and specifications amended to include them.

5.

In Mr. Butler's letter of September 7, 1978 to you respecting Bid Package #13 (Built-Up Roofing and Sheet Metal Flashing), it is shown that the cost for this Bid Package was established at \$83,000.00 and that the lowest bid received on August 16, 1978 was

.....continued

CONTRACT NO.	BID PACKA NO.
E-77-20(LM)	1
E-78-1(LM)	2
E-78-6(LM)	3
E-78-7(LM)	4
E-78-10(LM)	5 &
E-78-11(LM)	6
E-78-12(LM)	7
E-78-37(LM)	8
E-78-13(LM)	9 &
E-78-14(LM)	13
E-78-38(LM)	14
E-78-25(LM)	15 &
E-78-27(LM)	18
E-78-28(LM)	19
E-78-39(LM)	20
E-78-29(LM)	21 &
E-78-30(LM)	22
E-78-32(LM)	24
E-78-33(LM)	25
E-78-34(LM)	26
E-78-35(LM)	27
E-78-40(LM)	28 &
E-78-41(LM)	29
E-78-41(LM)	30A

for \$209,770.00, showing a cost overrun for this Bid Package of \$126,770.00. In Mr. Butler's two-page letter dated September 7, 1978 on page 1, paragraph 3, he states:

"The original budget estimate was based on a lower quality of roofing system than is appropriate for a building of this type, for example:

"Original budget was based upon the use of styrofoam insulation; specifications call for Fiberglas with taped joints.

"The original budget made no allowance for roof walkways or vapour barrier.

"The original budget was based upon a single pour of gravel; the specifications call for a double pour."

Because of the above, it is not unreasonable to inquire:

- (1) Who was responsible for monitoring the type of material specified in the original plans and specifications?
- (2) Were they of the finest material?
- (3) What role did the Construction Manager and you play with respect to such changes?
- (4) At what time were these changes made? In other words, please identify original budget--was it budget #3 of October, 1977, or otherwise? It would also be helpful if you would be kind enough to let me know, and also deliver to me estimates or budgets #1 and #2, with the dates of their preparation.

6. Bid Package #5 respecting Mechanical Work, as referred to in Table 1 of your letter of September 11, 1978 to the Board of Control, indicates an increase over the estimate of \$199,540.00. The Architect's and Construction Manager's reports as to details of this cost

.....continued

CONTRACT NO.	BID PACKAGE
E-77-20(LM)	1
E-78-1(LM)	2
E-78-6(LM)	3
E-78-7(LM)	4
E-78-10(LM)	5 &
E-78-11(LM)	6
E-78-12(LM)	7
E-78-37(LM)	8
E-78-13(LM)	9 &
E-78-14(LM)	13
E-78-38(LM)	14
E-78-25(LM)	15 &
E-78-27(LM)	18
E-78-28(LM)	19
E-78-39(LM)	20
E-78-29(LM)	21 &
E-78-30(LM)	22
E-78-32(LM)	24
E-78-33(LM)	25
E-78-34(LM))	26
E-78-35(LM)	27
E-78-40(LM)	28 &
E-78-41(LM)	29
E-78-41(LM)	30A

increase are not in the material that was submitted to me as was the case with respect to roofing and aluminum windows. With the latter two items, details were furnished. Similarly, with respect to Bid Package #6 (Electrical) and Bid Packages #9 and #11 (Super Structures and Structural Steel), which respectively account for an increase of \$136,667.00 and \$355,000.00, the Architect's and Construction Manager's reports as to the details of the cost increases were not in the material submitted to me. If these details were prepared, please make them available. *Not available*

7. Table 1 as noted in your reporting letter to the Board of Control on September 11, 1978, shows the cost overrun was \$983,954.05, and according to the press reports I gather that all Bid Packages are now in and there is now an additional increase of \$400,000.00. Is this reported statement correct? If this is so, then I am assuming that either you or the Construction Manager and/or the Architect (Management Team) will have a revised Table 1. Please let me have a revised and updated copy of that table so that I may have a current perspective of developments. This table should include all Bid Packages to date and supporting Architect's and Construction Manager's reports as to the details of cost increases reflected on the updated table.

As I indicated to you earlier, these are preliminary questions and it is possible that others may arise as the reviewing process continues.

I would be obliged to have your answers in the order in which the questions are enumerated. Your early attention and co-operation will be appreciated.

Yours truly,

K. A. Rouff
K. A. Rouff
City Solicitor.

KAR:js

c.c. Controller P. O. Valeriano
c.c. Alderman R. Wheeler
c.c. Mr. A. K. German, City Architect
c.c. Mr. P. Kuppe, Building Commissioner
c.c. Mr. J. R. Jones, Secretary,
Board of Control

CONTRACT	BID PACKAGE
7-20(LN)	1
8-1(LN)	2
8-6(LN)	3
8-7(LN)	4
8-10(LN)	5 &
8-11(LN)	6
8-12(LN)	7
8-37(LN)	8
8-13(LN)	9 &
8-14(LN)	13
8-36(LN)	14
8-25(LN)	15 &
8-27(LN)	18
8-28(LN)	19
8-39(LN)	20
8-29(LN)	21 &
8-30(LN)	22
8-32(LN)	24
8-33(LN)	25
8-34(LN)	26
8-35(LN)	27
8-40(LN)	28 &
8-41(LN)	29
8-41(LN)	30A

PIGOTT STRUCTURES COMPANY LIMITED
ENGINEERS AND CONTRACTORS
P.O. BOX 309

HAMILTON, CANADA L8N 3G7

October 12, 1977

City of Hamilton
City Hall
71 Main Street West
Hamilton, Ontario
L8P 1H4

Attention: Mr. W. L. Phillips, P.Eng.
City Engineer

Dear Sir:

Re: 515 - Hamilton Central Library &
Farmer's Market
PRELIMINARY BUDGET

FILE NO. 301-0008-14	
LETTER NO. 195-57	
DEPT. OF ENGINEERING	
OCT 12 1977	
ROUTE	RECVD
DCE	READ BY
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TS	
PLAN	ANS. BY
DESIGN	
CONST.	
C. SURV.	FILED BY
OPER	
MTCE	

We of Pigott Structures Company Limited are pleased to quote a Budget Price of Twelve Million, One Hundred and Seventy-seven Thousand, Six Hundred and Thirty-nine Dollars (\$12,177,639.000) to construct the Hamilton Central Library and Farmer's Market on the south side of Merrick Street, west of MacNab Street, Hamilton, Ontario, Federal Sales Tax included, Provincial Sales Tax Excluded.

This Price is based on the following:

1. Hoarding & Jackson Square Window Protection	25,000	\$ 28,196.00
2. Shoring Banks	50,000	80,000.00
3. Excavation and Backfilling	220,000	244,399.00
4. Forms and Concrete	2,020,000	1,739,150.00
5. Reinforcing Steel and Mesh	800,000	1,105,000.00
6. Mechanical	2,430,000	2,675,326.00
7. Electrical	1,190,000	1,398,000.00
8. Waterproofing Foundation Walls	50,000	24,300.00
9. Waterproofing Exterior Slabs & Planters	70,000	23,000.00
10. Elevators and Escalator	300,000	376,000.00
11. Conveyors	130,000	146,000.00
12. Weeping Tile & Stone Fill Exterior Walls	30,000	3,166.00
13. Structural Steel and Metal Grating		74,000.00
14. Steel Roof Deck		1,640.00
15. Drainage System Floor on Grade		17,934.00

... cont'd page 2

CONTRACT NO.	BID PACKAGE
E-77-20 (LM)	1
E-78-1 (LM)	2
E-78-6 (LM)	3
E-78-7 (LM)	4
E-78-10 (LM)	5 &
E-78-11 (LM)	6
E-78-12 (LM)	7
E-78-37 (LM)	8
E-78-13 (LM)	9 &
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E-78-34 (LM)	26
E-78-35 (LM)	27
E-78-40 (LM)	28 &
E-78-41 (LM)	29
E-78-41 (LM)	30A

UNITED STATES DEPARTMENT OF AGRICULTURE
BUREAU OF PLANT INDUSTRY
WASHINGTON, D. C.

January 12, 1925

Dear Sir:
The following information is being furnished to you for your information.

It is requested that you keep this information confidential.

Very respectfully,
W. A. Miller, Director

Enclosure

Very truly yours,
W. A. Miller, Director

TABLE 1	
Year	Value
1924	100,000
1923	120,000
1922	150,000
1921	180,000
1920	200,000
1919	220,000
1918	250,000
1917	280,000
1916	300,000
1915	320,000
1914	350,000
1913	380,000
1912	400,000
1911	420,000
1910	450,000
1909	480,000
1908	500,000
1907	520,000
1906	550,000
1905	580,000
1904	600,000
1903	620,000
1902	650,000
1901	680,000
1900	700,000

It is requested that you keep this information confidential.

Very truly yours,
W. A. Miller, Director

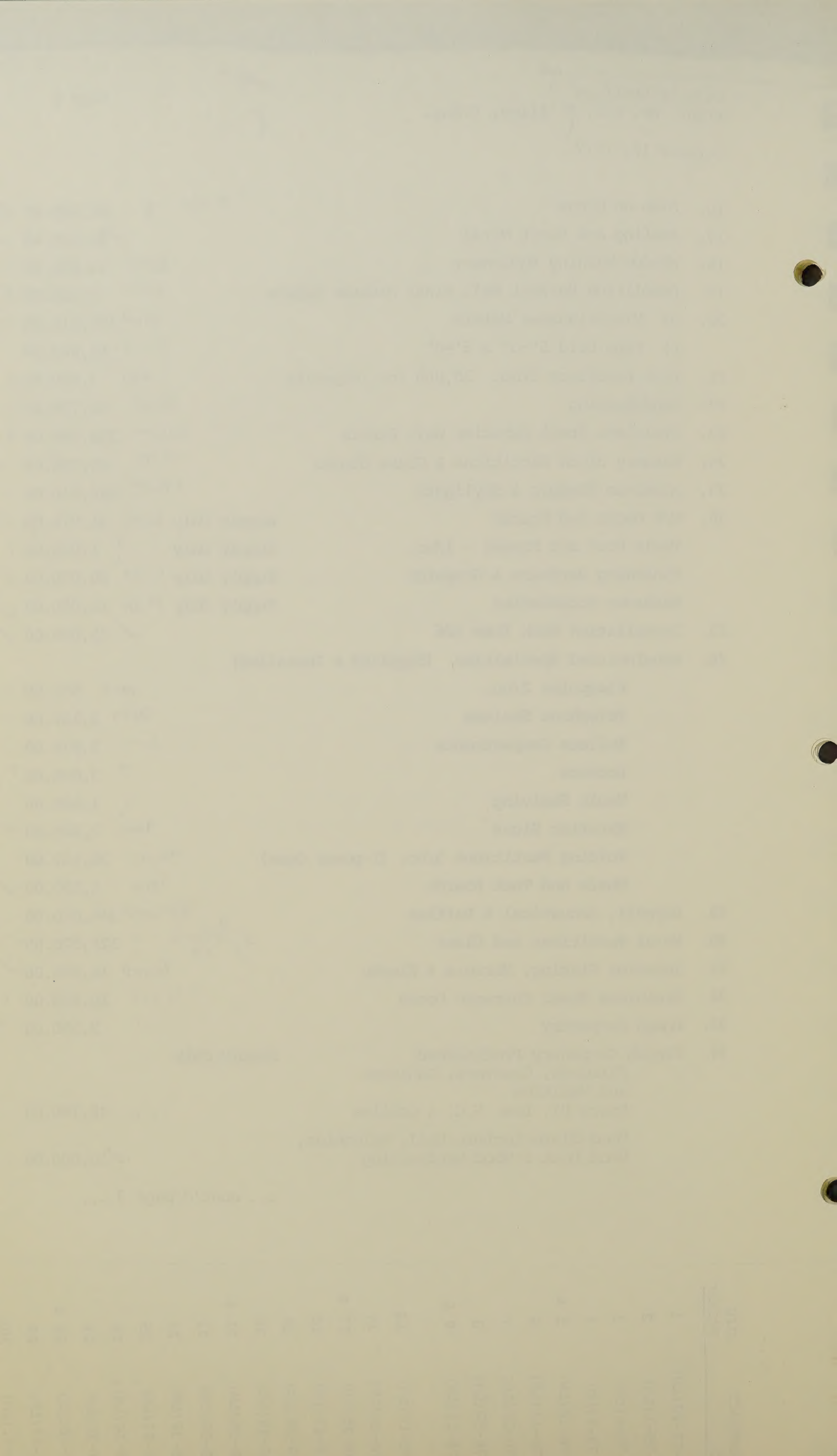
1. Information regarding the following:
2. Information regarding the following:
3. Information regarding the following:
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16. Information regarding the following:
17. Information regarding the following:
18. Information regarding the following:
19. Information regarding the following:
20. Information regarding the following:

October 12, 1977

16.	Slab on Grade	88,500	\$	88,240.00	89,000
17.	Roofing and Sheet Metal			✓85,000.00	✓
18.	Window Washing Equipment	12,000		11,800.00	12,000
19.	Demolition Parapet Wall Plaza Jackson Square	8,700		8,700.00	9,000
20.	a) Miscellaneous Metals	159,812		159,812.00	159,812
	b) Pipe Grid 5'-0" x 5'-0"	61,823		61,823.00	61,823
21.	Dock Levellers 2/no. 20,000 lbs. capacity	3,800		3,800.00	4,000
22.	Sandblasting	52,720		52,720.00	52,720
23.	Stainless Steel Exterior Wall Panels	252,980		252,980.00	252,980
24.	Masonry Block Partitions & Glass Blocks	45,000		45,000.00	45,000
25.	Aluminum Windows & Skylights	526,240		526,240.00	526,240
26.	H/M Doors and Frames	Supply Only		31,912.00	31,912
	Vault Door and Frames - 1/no.	Supply Only		1,000.00	1,000
	Finishing Hardware & Graphics	Supply Only		60,000.00	60,000
	Washroom Accessories	Supply Only		16,000.00	16,000
27.	Installation Work Item #26			✓15,000.00	✓
28.	Manufactured Specialties (Supplied & Installed)				
	Flagpoles 2/no.	900		900.00	900
	Telephone Shelves	2,100		2,100.00	2,100
	Toilets Compartments	5,919		5,919.00	5,919
	Lockers	3,000		3,000.00	3,000
	Vault Shelving	1,500		1,500.00	1,500
	Exterior Signs	2,000		2,000.00	2,000
	Folding Partitions 3/no. (1-power Oper)	30,932		30,932.00	30,932
	Chalk and Tack Boards	1,500		1,500.00	1,500
29.	Drywall, Acoustical & Baffles	346,040		346,040.00	346,040
30.	Metal Partitions and Glass	126,000		126,000.00	126,000
31.	Interior Glazing, Mirrors & Kiosks	16,000		16,000.00	16,000
32.	Stainless Steel Entrance Doors	16,800		16,800.00	16,800
33.	Rough Carpentry	2,500		2,500.00	2,500
34.	Finish Carpentry Prefinished	Supply Only			
	Fitments, Counters, Cabinets and Vanities				
	Doors Pl. Lam. S.C. & Grilles	48,190		48,190.00	48,190
	Wood Slate Lecture Hall, Balconies, Wood Deck & Wood Handrailing			✓10,000.00	✓

... cont'd page 3 ...

CONTRACT NO.	BID PACKA	
E-77-20(LM)	1	
E-78-1(LM)	2	
E-78-6(LM)	3	
E-78-7(LM)	4	
E-78-10(LM)	5 &	
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E-78-34(LM)	26	
E-78-35(LM)	27	
E-78-40(LM)	28 &	
E-78-41(LM)	29	
E-78-41(LM)	30A	



October 12, 1977

35. Installation Work Item #34	32,000	\$ 34,126.00
36. Miscellaneous Caulking		✓ 3,000.00
37. Quarry Tile, Ceramic Tile & Non-Slip Pavers	81,000	83,189.00
38. Painting and Vinyl Fabric	108,000	112,159.00
39. Mail Box - 1/no.	?	1,000.00
40. a) Overhead Doors Multi-Leaf - 3/no.	12,000	23,000.00
H/M Doors & Frames - 2/no. - Installed	?	400.00
b) Miscellaneous		
Excavation & Backfilling, Forms, Concrete & Reinforcing Steel for:-		
Bases Lights Standards, Flagpoles & Kiosks		✓ 15,000.00
Stairs and Walls on Grade	11,800	11,431.00
41. Vinyl Tile and Rubber Base	210,000	219,940.00
42. Carpet	30,000	68,000.00
43. Final Grading Top Soil, Sodding & Planting	?	2,000.00
44. Traffic Signs		✓ 15,000.00
45. Final Cleaning		
46. Temporary Facilities & Miscellaneous	325,000	325,496.00
Cost Plus Work		
47. Pigott Structures Management Fee	✓	378,616.00
Plus 50% Performance Bond of Pigott Fee	✓	1,376.00
48. Tunnel Construction:		
Excavation & Backfilling		
Forms, Concrete & Reinforcing Steel		
Waterproofing & Weeping Tiles		
Catchbasins		
Retaining Wall, Stairs & Railings, Ramp Paving		
Cutting through walls for O/H Doors &		
Floor for Depressed Slab	501,000	200,000.00
49. Additional Escalator		✓ 104,000.00
Concourse to Plaza - 1 way		30,500.00
50. Relocation of 18" Ø Sewer		\$11,597,752.00
Total Budget Price Estimated		
Plus 5% Contingency Allowance of Total Budget		579,887.00
Estimated		
Grand Total Including Contingency		\$12,177,639.00

... cont'd page 4 ...

CONTRACT NO.	BID NO.	PACKAG
E-77-20 (LM)	1	
E-78-1 (LM)	2	
E-78-6 (LM)	3	
E-78-7 (LM)	4	
E-78-10 (LM)	5 &	
E-78-11 (LM)	6	
E-78-12 (LM)	7	
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E-78-29 (LM)	21 &	
E-78-30 (LM)	22	
E-78-32 (LM)	24	
E-78-33 (LM)	25	
E-78-34 (LM)	26	
E-78-35 (LM)	27	
E-78-40 (LM)	28 &	
E-78-41 (LM)	29	
E-78-41 (LM)	30A	

1. The first part of the report deals with the general situation of the country and the progress of the work during the year.

2. The second part deals with the results of the work done during the year.

3. The third part deals with the financial statement of the year.

4. The fourth part deals with the conclusions of the year.

5. The fifth part deals with the recommendations for the future.

6. The sixth part deals with the appendixes.

7. The seventh part deals with the index.

8. The eighth part deals with the bibliography.

9. The ninth part deals with the list of figures.

10. The tenth part deals with the list of tables.

11. The eleventh part deals with the list of abbreviations.

12. The twelfth part deals with the list of symbols.

13. The thirteenth part deals with the list of units.

14. The fourteenth part deals with the list of names.

15. The fifteenth part deals with the list of dates.

16. The sixteenth part deals with the list of places.

17. The seventeenth part deals with the list of people.

18. The eighteenth part deals with the list of organizations.

19. The nineteenth part deals with the list of institutions.

20. The twentieth part deals with the list of publications.

21. The twenty-first part deals with the list of references.

22. The twenty-second part deals with the list of sources.

23. The twenty-third part deals with the list of materials.

24. The twenty-fourth part deals with the list of equipment.

25. The twenty-fifth part deals with the list of facilities.

26. The twenty-sixth part deals with the list of services.

27. The twenty-seventh part deals with the list of personnel.

28. The twenty-eighth part deals with the list of expenses.

29. The twenty-ninth part deals with the list of income.

30. The thirtieth part deals with the list of assets.

31. The thirty-first part deals with the list of liabilities.

32. The thirty-second part deals with the list of equity.

33. The thirty-third part deals with the list of cash.

34. The thirty-fourth part deals with the list of receivables.

35. The thirty-fifth part deals with the list of payables.

36. The thirty-sixth part deals with the list of inventory.

37. The thirty-seventh part deals with the list of fixed assets.

38. The thirty-eighth part deals with the list of intangible assets.

39. The thirty-ninth part deals with the list of deferred taxes.

40. The fortieth part deals with the list of other items.

No.		Description	
1	2	3	4
5	6	7	8
9	10	11	12
13	14	15	16
17	18	19	20
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65	66	67	68
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October 12, 1977

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OCT 19 1979

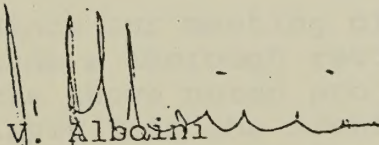
LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

This Budget Price is based on very Preliminary Drawings, Sketches and Brief Outline Specifications dated, September 12th and 21st, 1977 and Meeting discussions with the Architects.

We trust that the foregoing meets with your approval and will be pleased to clarify any part of it at your convenience.

Yours very truly,

PIGOTT STRUCTURES COMPANY LIMITED


V. Alboini
Project Manager

VA:gs

c.c.: Mr. Anthony Butler, Architect, MRAIC
Mr. J. L. Neilson, P. Eng.
Mr. John Begley, P. Eng.

CONTRACT NO.	BID PACKAG
E-77-20(LM)	1
E-78-1(LM)	2
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E-78-10(LM)	5 &
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E-78-32(LM)	24
E-78-33(LM)	25
E-78-34(LM)	26
E-78-35(LM)	27
E-78-40(LM)	28 &
E-78-41(LM)	29
E-78-41(LM)	30A

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P. JTT STRUCTURES COMPANY LIMITED
ENGINEERS AND CONTRACTORS
P.O. BOX 309
HAMILTON, CANADA L8N 3G7

October 26, 1977

OCT 19 1977
LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

The Corporation of the City of Hamilton
City Hall,
71 Main Street West,
HAMILTON, Ontario

Attention: Mr. W. L. Phillips, P. Eng.,
City Engineer

Re: Hamilton Central Library
and Farmer's Market
Preliminary Budget - First Revision

301-0008

FILE NO. 301-0008	
LETTER NO. 199-50	
DEPT. OF ENGINEERING	
NOV 3 1977	
ROUTE	RECVD
DCE	READ BY
OW	
TS	
PLAN	ANS. BY
DESIGN	
CONST.	
C. SURV.	FILED BY
OPER	
NOTE	

Dear Sirs:

Since our meeting of October 13, 1977, we have made a thorough review of all the major items in the above noted project, including a significant input from the Architect and his structural, mechanical and electrical consultants. With respect to the mechanical and electrical work, we have worked with Comstock International Ltd., and have brought in since the October 17 meeting Mr. R. Wells for his input on mechanical and electrical as well.

Again, we must emphasize that we are using preliminary drawings, but with a greater detail of specification, and we have been working with at least one major contractor firm in order to develop this budget revision.

Revision 1 is based on the following:-

Items

1. Hoarding and Jackson Square Window Protection	28,000
2. Shoring Banks	80,000
3. Excavation and Backfilling	236,000
4. Forms and Concrete	2,151,000
5. Reinforcing Steel and Mesh	869,000

... Cont'd Page 2 ...

CONTRACT NO.	BID PACKAGE
E-77-20 (LM)	1
E-78-1 (LM)	2
E-78-6 (LM)	3
E-78-7 (LM)	4
E-78-10 (LM)	5 &
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E-78-35 (LM)	27
E-78-40 (LM)	28 &
E-78-41 (LM)	29
E-78-41 (LM)	30A

October 26, 1977

6.	Mechanical	2,450,000
7.	Electrical	1,243,000
8.	Waterproofing Foundation Walls	24,000
9.	Waterproofing Exterior slabs and Planters	23,000
10.	Elevators and Escalator	376,000
11.	Conveyors	146,000
12.	Weeping Tile and Stone Fill Exterior Walls	3,000
13.	Structural Steel and Metal Grating	74,000
14.	Steel Roof Deck	2,000
15.	Slab on Grade	88,000
16.	Roofing and Sheet Metal	85,000
17.	Window Washing Equipment	12,000
18.	Demolition Parapet Wall - Plaza Jackson Square	9,000
19a).	Miscellaneous Metals	130,000
b)	Pipe Grid 5'-0" x 5'-0"	62,000
20.	Dock Levellers	4,000 ✓
21.	Sandblasting	45,000
22.	Stainless Steel Exterior Wall Panels	243,000
23.	Masonry Block partitions and Glass Blocks	45,000
24.	Aluminum Windows and Skylights	489,000
25.	H/M Doors and Frames - Supply only	32,000
	Finishing Hardware and Graphics - Supply only	60,000
	Washroom Accessories - Supply only	16,000
26.	Installation Work Item #25	15,000
27.	Manufactured Specialties (Supplied and installed)	
	Flagpoles 2/No.	1,000
	Telephone Shelves	2,000
	Toilet Compartments	6,000
	Exterior Signs	4,000
	Folding Partitions 3/No. (1- Punch operated)	31,000
	Chalk and Tackboards	1,500
28.	Drywall, Acoustical and Baffles	321,000 ✓
29.	Drywall and H/M Glazed Partitions.	61,500 ? # 3.5
30.	Interior Glazing, Mirrors and Kiosks	16,000 ✓
31.	Stainless Steel Entrance Doors	17,000 ✓
32.	Rough Carpentry	9,000 ✓

... Cont'd Page 3 ...

CONTRACT NO.	BID NO.	PACK
E-77-20(LM)	1	
E-78-1(LM)	2	
E-78-6(LM)	3	
E-78-7(LM)	4	
E-78-10(LM)	5 &	
E-78-11(LM)	6	
E-78-12(LM)	7	
E-78-37(LM)	8	
E-78-13(LM)	9 &	
E-78-14(LM)	13	
E-78-38(LM)	14	
E-78-25(LM)	15 &	
E-78-27(LM)	18	
E-78-28(LM)	19	
E-78-39(LM)	20	
E-78-29(LM)	21 &	
E-78-30(LM)	22	
E-78-32(LM)	24	
E-78-33(LM)	25	
E-78-34(LM)	26	
E-78-35(LM)	27	
E-78-40(LM)	28 &	
E-78-41(LM)	29	
E-78-41(LM)	30A	

March 1917

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October 26, 1977

33.	Finish Carpentry, Fitments - (Supply only) Counters, Cabinest and Vanities " " Doors Pl. Lam. S.C. & Grilles " "	48,000 ✓
	Wood slats Lecture Hall Wood Deck Balconies Wood Handrailing	10,000 ✓
34.	Installation Work Item #33	34,000 ✓
35.	Miscellaneous Caulking	3,000 ✓
36.	Quarry Tile, Ceramic Tile and non-slip pavers	83,000 ✓
37.	Painting and Vinyl Fabric	112,000 ✓
38.	Overhead Door 1/No. Multi-Leaf	12,000 ✓
39.	Misc. excavation and backfilling, forms, concrete and reinforcing steel for: Concrete Bases light standards, Flagpoles Kiosks, Stairs and Walls on Grade	15,000 ✓
40.	Vinyl Tile and Rubber Base	11,500 ✓
41.	Carpet	220,000 ✓
42.	Landscaping - Top Soil, Sodding and Planting	50,000
43.	Final cleaning	15,000 ✓
44.	Temporary facilities and Miscellaneous Cost Plus Work	325,000 ✓
45.	Pigott Structures Management Fee	378,616 ✓
	Plus 50% Performance Bond of Pigott Fee	1,376 ✓
Total Budget Price Revised		\$10,828,492

Included in the above noted figure for each of the bid packages is a contingency which we would estimate to be in the order of 5%. We expect this to be a reasonable figure given the preliminary nature of the information and the absence of competitive bidding at this point in time.

if = 100000
P. 10,828,492
Contingency
2515,642.27

Not included in the above total budget figure are the following additional budget prices, which we understand are beyond the scope of the building budget.

- a) Tunnel construction \$ 150,000 ✓
b) Additional escalator:
concourse to plaza one way \$ 104,000 ✓

Sales taxes - Federal Sales Tax - included
Provincial Sales Tax - Excluded

... Cont'd Page 4 ...

CONTRACT NO.	BID PACKAGE
E-77-20 (LM)	1
E-78-1 (LM)	2
E-78-6 (LM)	3
E-78-7 (LM)	4
E-78-10 (LM)	5 &
E-78-11 (LM)	6
E-78-12 (LM)	7
E-78-37 (LM)	8
E-78-13 (LM)	9 &
E-78-14 (LM)	13
E-78-38 (LM)	14
E-78-25 (LM)	15 &
E-78-27 (LM)	18
E-78-28 (LM)	19
E-78-39 (LM)	20
E-78-29 (LM)	21 &
E-78-30 (LM)	22
E-78-32 (LM)	24
E-78-33 (LM)	25
E-78-34 (LM)	26
E-78-35 (LM)	27
E-78-40 (LM)	28 &
E-78-41 (LM)	29
E-78-41 (LM)	30A

THE CORPORATION OF CITY OF HAMILTON
Attention: Mr. W. L. Phillips

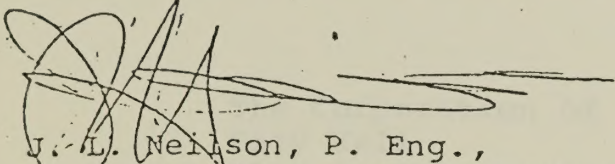
Page 4

October 26, 1977

We trust the foregoing meets with your approval.

Yours very truly,

PIGOTT STRUCTURES COMPANY LIMITED


J. L. Neilson, P. Eng.,
Vice-President & General Manager

JLN:dm

cc: Mr. A. Butler, Architect,
Mr. J. L. Neilson,
Mr. J. Begley,
Mr. V. Alboini

P.S. 1) Sewer Impost

Present Library and Market is Regional tax exempt,
therefore, no sewer impost will apply.

Due to possible regional tax reform a cost of
between .30¢ and .37¢ per sq. ft. gross area
may go into effect.

This cost not included with the revised budget
above and may never apply.

2) Insurances and Bonds

Not knowing type required - not included.

CONTRACT NO.	BID PACKAG
E-77-20(LN)	1
E-78-1(LN)	2
E-78-6(LN)	3
E-78-7(LN)	4
E-78-10(LN)	5 &
E-78-11(LN)	6
E-78-12(LN)	7
E-78-37(LN)	8
E-78-13(LN)	9 &
E-78-14(LN)	13
E-78-38(LN)	14
E-78-25(LN)	15 &
E-78-27(LN)	18
E-78-28(LN)	19
E-78-39(LN)	20
E-78-29(LN)	21 &
E-78-30(LN)	22
E-78-32(LN)	24
E-78-33(LN)	25
E-78-34(LN))	26
E-78-35(LN)	27
E-78-40(LN)	28 &
E-78-41(LN)	29
E-78-41(LN)	30A

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PIGOTT STRUCTURES COMPANY LIMITED
ENGINEERS AND CONTRACTORS
P.O. BOX 309
HAMILTON, CANADA L8N 3G7

301-0006.12

File
mlp

November 24, 1977

The Corporation of the City of Hamilton
City Hall
71 Main Street West
HAMILTON, Ontario
L8P 1H4

RECEIVED
OCT 19 1977
LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Attention: Mr. W. L. Phillips, P. Eng.
City Engineer

Re: 515 - Hamilton Central Library
and Farmer's Market
Budget Revision No. 3

Dear Sirs:

We have further reviewed the budget detail
for the above noted project, together with
the Architects, and submit herewith Cost
Detail as per enclosed.

All items listed include a reduced contingency
for interfacing. We stress at this time that
this budget is tight but still achievable.
Any further delay in the start of the project
will certainly lead to additional cost.

Yours very truly

PIGOTT STRUCTURES COMPANY LIMITED

J. L. Neilson, P. Eng.
Vice-President & General Manager

JLN/ma

c.c. Mr. A. Butler
Mr. V. Alboini

CONTRACT NO.	BID PACKAC
E-77-20(LN)	1
E-78-1(LN)	2
E-78-6(LN)	3
E-78-7(LN)	4
E-78-10(LN)	5 &
E-78-11(LN)	6
E-78-12(LN)	7
E-78-37(LN)	8
E-78-13(LN)	9 &
E-78-14(LN)	13
E-78-38(LN)	14
E-78-25(LN)	15 &
E-78-27(LN)	18
E-78-28(LN)	19
E-78-39(LN)	20
E-78-29(LN)	21 &
E-78-30(LN)	22
E-78-32(LN)	24
E-78-33(LN)	25
E-78-34(LN)	26
E-78-35(LN)	27
E-78-40(LN)	28 &
E-78-41(LN)	29
E-78-41(LN)	30A

THE UNIVERSITY OF CHICAGO
LIBRARY
CHICAGO, ILL.

September 22, 1951

Dr. [Name] at the [Address]
[City], [State]
Dear Sir:

I am writing to you regarding the [Subject]

Enclosed for you are [Number] copies of the [Document]

Very truly yours,

We have been very pleased to receive your letter of [Date] regarding the [Subject]. The [Institution] is very interested in the [Subject] and will be glad to [Action].

All those [Name] [Address] [City] [State] [Zip] who are interested in the [Subject] will be glad to [Action]. We will be glad to [Action] and will be glad to [Action].

Very truly yours,

[Name] [Title]

[Signature]

[Name] [Title]

Enclosure

cc: Mr. [Name]
Mr. [Name]

FILE

NAME

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
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REVISED BUDGET NO. 3

FOR HAMILTON CENTRAL LIBRARY & FARMER'S MARKET

NOVEMBER 24, 1977

1.	Hoarding and Jackson Square Window Protection	\$ 25,000.00
2.	Shoring Banks	50,000.00
3.	Excavation and Backfilling	220,000.00
4.	Forms and Concrete	2,020,000.00
5.	Reinforcing Steel and Mesh	810,000.00
6.	Mechanical	2,350,000.00
7.	Electrical	1,190,000.00
8.	Waterproofing Foundation Walls	22,000.00
9.	Waterproofing Exterior Slabs and Planters	20,000.00
10.	Elevators and Escalator	342,000.00
11.	Conveyors	130,000.00
12.	Weeping Tile and Stone Fill Exterior Walls	3,000.00
13.	Structural Steel and Metal Grating	74,000.00
14.	Steel Roof Deck	2,000.00
15.	Slab on Grade	85,000.00
16.	Roofing and Sheet Metal	85,000.00
17.	Window Washing Equipment	12,000.00
18.	Demolition Parapet Wall - Plaza Jackson Square	8,000.00
19.	a) Miscellaneous Metals	120,000.00
	b) Pipe Grid 5'-0" x 5'-0"	60,000.00
20.	Dock Levellers	4,000.00
21.	Sandblasting	21,000.00
22.	Stainless Steel Exterior Wall Panels	230,000.00

..... Cont'd Page 2

CONTRACT NO.	BID	PACKAC
E-77-20(LM)	1	
E-78-1(LM)	2	
E-78-6(LM)	3	
E-78-7(LM)	4	
E-78-10(LM)	5 &	
E-78-11(LM)	6	
E-78-12(LM)	7	
E-78-37(LM)	8	
E-78-13(LM)	9 &	
E-78-14(LM)	13	
E-78-38(LM)	14	
E-78-25(LM)	15 &	
E-78-27(LM)	18	
E-78-28(LM)	19	
E-78-39(LM)	20	
E-78-29(LM)	21 &	
E-78-30(LM)	22	
E-78-32(LM)	24	
E-78-33(LM)	25	
E-78-34(LM)	26	
E-78-35(LM)	27	
E-78-40(LM)	28 &	
E-78-41(LM)	29	
E-78-41(LM)	30A	

23.	Masonry Block Partitions and Galss Blocks	\$	43,000.00
24.	Aluminum Windows and Skylights		470,000.00
25.	H/M Doors and Frames - Supply Only		30,000.00
	Finishing Hardware and Graphics - Supply Only		55,000.00
	Washroom Accessories - Supply Only		14,000.00
26.	Installation Work Item No. 25		15,000.00
27.	Manufactured Specialties (Supplied and Installed)		
	Flagpoles 2/No.		1,000.00
	Telephones Shelves		2,000.00
	Toilet Compartments		6,000.00
	Exterior Signs		4,000.00
	Folding Partitions 3/No. (1 punch operated)		30,000.00
	Chalk and Tackboards		1,000.00
28.	Drywall, Acoustical and Baffles		305,000.00
29.	Drywall and H/M Glazed Partitions	?	59,000.00
30.	Interior Glazing, Mirrors and Kiosks		15,000.00
31.	Stainless Steel Entrance Doors		16,000.00
32.	Rough Carpentry		9,000.00
33.	Finish Carpentry, Fitments - (Supply Only)		
	Counters, Cabinets and Vanities (Supply Only)		
	Doors Pl. Lam. S.C. & Grilles (Supply Only)		46,000.00
	Wood Slats Lecture Hall, Wood Deck Balconies, Wood Handrailing		10,000.00
34.	Installation Work Item 33		32,000.00
35.	Miscellaneous Caulking		3,000.00
36.	Quarry Tile, Ceramic Tile and Non-slip Pavers		81,000.00
37.	Painting and Vinyl Fabric		108,000.00
38.	Overhead Door No. 1 Multi-Leaf		12,000.00

..... Cont'd Page 3

CONTRACT NO.	BID PACKAG NO.
E-77-20(LM)	1
E-78-1(LM)	2
E-78-6(LM)	3
E-78-7(LM)	4
E-78-10(LM)	5 &
E-78-11(LM)	6
E-78-12(LM)	7
E-78-37(LM)	8
E-78-13(LM)	9 &
E-78-14(LM)	13
E-78-38(LM)	14
E-78-25(LM)	15 &
E-78-27(LM)	18
E-78-28(LM)	19
E-78-39(LM)	20
E-78-29(LM)	21 &
E-78-30(LM)	22
E-78-32(LM)	24
E-78-33(LM)	25
E-78-34(LM)	26
E-78-35(LM)	27
E-78-40(LM)	28 &
E-78-41(LM)	29
E-78-41(LM)	30 &

1	Interest on bonds, notes, and other debt instruments	10,000.00
2	Dividends and other income	1,000.00
3	Capital gains	20,000.00
4	Ordinary income	10,000.00
5	Capital losses	10,000.00
6	Net long-term capital gain	10,000.00
7	Net short-term capital gain	10,000.00
8	Net capital gain	20,000.00
9	Net capital loss	10,000.00
10	Net capital gain or loss	10,000.00
11	Net capital gain or loss	10,000.00
12	Net capital gain or loss	10,000.00
13	Net capital gain or loss	10,000.00
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96	Net capital gain or loss	10,000.00
97	Net capital gain or loss	10,000.00
98	Net capital gain or loss	10,000.00
99	Net capital gain or loss	10,000.00
100	Net capital gain or loss	10,000.00

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39.	Misc. excavation and backfilling, forms, concrete and reinforcing steel for: Concrete Bases light standards, Flagpoles Kiosks, Stairs and Walls on Grade	\$ 15,000.00
40.	Vinyl Tile and Rubber Base	11,000.00
41.	Carpet	210,000.00
42.	Landscaping - Top Soil, Sodding and Planting	30,000.00
43.	Final Cleaning	15,000.00
44.	Temporary Facilities and Miscellaneous Cost Plus Work	325,000.00
45.	Pigott Structures Management Fee Plus 50% Performance Bond of Pigott Fee	378,616.00 1,376.00
46.	Tunnel Construction	150,000.00
47.	Additional escalator: concourse to plaza one way	104,000.00
		\$10,490,000.00

Contingency = 1.718%

Contingency \$ = 177,150.40

Sales taxes - Federal - included.
- Provincial - excluded.

Sewer Impost

Present Library and Market is Regional tax exempt, therefore, no sewer impost will apply.

Due to possible regional tax reform a cost of between .30¢ per sq. ft. gross area may go into effect.

This cost not included with the revised budget above and may never apply.

Insurances and Bonds (other than Pigott Bond)

Not knowing type required - not included.

TRACT	BID PACK
7-20(LM)	1
8-1(LM)	2
8-6(LM)	3
8-7(LM)	4
8-10(LM)	5 &
8-11(LM)	6
8-12(LM)	7
8-37(LM)	8
8-13(LM)	9 &
3-14(LM)	13
3-36(LM)	14
3-25(LM)	15 &
3-27(LM)	18
3-28(LM)	19
3-39(LM)	20
3-29(LM)	21 &
3-30(LM)	22
3-32(LM)	24
3-33(LM)	25
3-34(LM)	26
3-35(LM)	27
4-40(LM)	28 &
4-41(LM)	29
4-41(LM)	30 &

C O S T D E T A I L

Area Separation

a) Library	172,840 sq. ft.
b) Farmer's Market, including mezzanine (12,600 sq. ft.)	50,930 sq. ft.
c) Truck Access Route	5,005 sq. ft.
d) McMaster-Mohawk	4,240 sq. ft.
TOTAL	233,015 sq. ft.

2. Price Separation

We have estimated the cost of the Farmer's Market Area separately as accurately as possible given the difficult problem that all the area separations are integral parts of one structure.

Total Budget of October 26, 1977

Entire Building	\$10,236,000.00
Tunnel	150,000.00
Additional Escalator	104,000.00
GRAND TOTAL	\$10,490,000.00

Estimate of Farmer's Market Areas, including mezzanine and truck access route:-

Excavation and Backfill	\$ 170,000.00
Formwork	370,000.00
Concrete	201,000.00
Reinforcing Steel and Mesh	220,000.00
Rough Carpentry and Millwork	2,000.00
Hardware	1,000.00

..... Cont'd Page 2

CONTRACT NO.	BID PACKAG
E-77-20 (LM)	1
E-78-1 (LM)	2
E-78-6 (LM)	3
E-78-7 (LM)	4
E-78-10 (LM)	5 &
E-78-11 (LM)	6
E-78-12 (LM)	7
E-78-37 (LM)	8
E-78-13 (LM)	9 &
E-78-14 (LM)	13
E-78-36 (LM)	14
E-78-25 (LM)	15 &
E-78-27 (LM)	18
E-78-28 (LM)	19
E-78-39 (LM)	20
E-78-29 (LM)	21 &
E-78-30 (LM)	22
E-78-32 (LM)	24
E-78-33 (LM)	25
E-78-34 (LM)	26
E-78-35 (LM)	27
E-78-40 (LM)	28 &
E-78-41 (LM)	29
E-78-41 (LM)	30A

STATE OF NEW YORK

IN SENATE

January 15, 1907.
REPORT OF THE
COMMISSIONER OF THE LAND OFFICE
IN RESPONSE TO A RESOLUTION
PASSED BY THE SENATE
JANUARY 10, 1906.

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CHAPTER I. GENERAL STATEMENT OF THE LAND OFFICE.
CHAPTER II. STATEMENT OF THE LAND OFFICE.
CHAPTER III. STATEMENT OF THE LAND OFFICE.

CHAPTER I. GENERAL STATEMENT OF THE LAND OFFICE.

1. The Land Office is a part of the Executive Department of the State.
2. The Land Office is a part of the Executive Department of the State.
3. The Land Office is a part of the Executive Department of the State.

CHAPTER II. STATEMENT OF THE LAND OFFICE.

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STATE OF NEW YORK

IN SENATE

January 15, 1907.

Boarding	\$ 20,000.00
Shoring Banks	50,000.00
Mechanical & Electrical (see note 2 below)	750,000.00
Waterproofing & 1" Rigid Insulation	23,000.00
Escalator Market to Mezzanine (1 way)	68,000.00
Elevator No. 5 - Market to Mezzanine	57,000.00
Roofing & Sheet Metal (see note 3 below)	10,000.00
Miscellaneous Metals	20,000.00
Dock Levellers	2,000.00
Quarry Tile and Ceramic Tile	3,000.00
Overhead Door	12,000.00
Toilet Partitions	1,000.00
Temporary Facilities	65,000.00
approximately 20% of 325,000	
Pigott Management Fee	76,000.00
approximately 20% of 378,000	
Aluminum Windows and Entrances	25,000.00
Painting	4,000.00
	\$2,150,000.00

Upon further review, we feel that the following points should be made:-

1. Structure

Footings are sized for the entire structure. There could be a credit here. However, we did not include the structural slabs over both the Market Mezzanine and the open well, approximately column lines 7 to 10 and A to D prime, since they are part of the library, but would be necessary if the market was built separately.

2. Mechanical and Electrical

We have adjusted the unit cost for the Market area compared to the overall building. We would estimate that the Market area unit price would be approximately \$14.00 per square foot.

3. Roofing

We have included an allowance of \$10,000 for roofing over the Market. This is very conservative if the Market was to be built separately.

..... Cont'd Page 3

CONTRACT NO.	BID PACKAGE
E-77-20(LM)	1
E-78-1(LM)	2
E-78-6(LM)	3
E-78-7(LM)	4
E-78-10(LM)	5 &
E-78-11(LM)	6
E-78-12(LM)	7
E-78-37(LM)	8
E-78-13(LM)	9 &
E-78-14(LM)	13
E-78-36(LM)	14
E-78-25(LM)	15 &
E-78-27(LM)	18
E-78-28(LM)	19
E-78-39(LM)	20
E-78-29(LM)	21 &
E-78-30(LM)	22
E-78-32(LM)	24
E-78-33(LM)	25
E-78-34(LM)	26
E-78-35(LM)	27
E-78-40(LM)	28 &
E-78-41(LM)	29
E-78-41(LM)	30A

Therefore, we may calculate the prices as follows:-

Total estimated cost of Farmer's Market, including Market, Mezzanine and Truck Access Route:-

$$2,150,000 \div 55,935 = \$38.44 \text{ per sq/ ft.}$$

Library and McMaster Mohawk (including escalator):-

$$\begin{array}{r} 10,340,000 \\ \text{less } 2,150,000 \\ \hline 8,190,000 \div 177,080 = \$46.25 \end{array}$$

In summary, the cost separation would be as follows:-

Library - 172,840 sq. ft. x \$46.25	\$ 7,994,000.00
McMaster-Mohawk - 4,240 sq. ft. x \$46.25	196,000.00
Farmer's Market including Mezzanine 50,930 sq. ft. x \$38.44	1,958,000.00
Truck Access Route - 5,005 sq. ft. x \$38.44	192,000.00
Tunnel	150,000.00
	<u>\$10,490,000.00</u>

Fed Tax

10,500,000.00

157,810

10,342,650

210,000

10,132,650

342,000

9,790,650

9,759,000

McMohawk -

Tunnel etc.

CONTRACT NO.	BID PACKAGE
E-77-20(LM)	1
E-78-1(LM)	2
E-78-6(LM)	3
E-78-7(LM)	4
E-78-10(LM)	5
E-78-11(LM)	6
E-78-12(LM)	7
E-78-37(LM)	8
E-78-13(LM)	9
E-78-14(LM)	13
E-78-36(LM)	14
E-78-25(LM)	15
E-78-27(LM)	18
E-78-28(LM)	19
E-78-39(LM)	20
E-78-29(LM)	21
E-78-30(LM)	22
E-78-32(LM)	24
E-78-33(LM)	25
E-78-34(LM)	26
E-78-35(LM)	27
E-78-40(LM)	28
E-78-41(LM)	29
E-78-41(LM)	30

(REVISED SEPTEMBER 7, 1979)

CONTRACT NO.	BID PACKAGE	DESCRIPTION	BUDGET	LOW TENDER	NET AMOUNT OF CHANGE OF ORDERS APPROVED	NET AMOUNT OF CHANGE OF ORDERS NOT APPROVED	REVISED CONTRACT PRICE
E-77-20(LM)	1	Excavation	\$ 210,000	\$ 141,201	\$ 2,224.87 CR*		\$ 138,976.13
E-78-1(LM)	2	Footings	238,000	238,542	3,805.92		242,347.92
E-78-6(LM)	3	Substructure	600,000	610,900	3,569.00		614,469.00
E-78-7(LM)	4	Conduit System	10,000	7,498	105.00 CR		7,393.00
E-78-10(LM)	5 & 31	Mechanical	2,293,000	2,535,000	141,099.54 CR	167,304.67	2,561,205.13
E-78-11(LM)	6	Electrical	1,150,000	1,345,667	53,182.00 CR	69,249.75	1,361,734.75
E-78-12(LM)	7	Elevators	434,000	450,315	55,535.00 CR		394,780.00
E-78-37(LM)	8	Conveyor	30,000	18,339			18,339.00
E-78-13(LM)	9 & 11	Superstructure & Structural Steel	2,100,000	2,455,000	45,832.62	687.60 CR	2,500,145.02
E-78-14(LM)	13	Roofing	115,000	209,770	73,597.00 CR		136,173.00
E-78-38(LM)	14	Exterior Wall Panels	224,000	167,600	27,198.00 CR		140,402.00
E-78-25(LM)	15 & 16	Aluminium Windows & Doors	442,000	798,213	533.00		798,746.00
E-78-27(LM)	18	Masonry	42,000	103,740	380.20 CR		103,359.80
E-78-28(LM)	19	Hollow Metal Doors	29,000	45,996	10,410.00	730.00	57,136.00
E-78-39(LM)	20	Hardware	54,000	44,519	1,095.00 CR	727.33	44,151.33
E-78-29(LM)	21 & 10	Misc. Metal Work	172,000	224,000	2,153.00 CR		221,847.00
E-78-30(LM)	22	Tunnel	226,000	238,144			238,144.00
E-78-32(LM)	24	Interior Glazing	15,000	49,295	1,788.88 CR	581.67 CR	46,924.45
E-78-33(LM)	25	Overhead Doors	23,000	18,632			18,632.00
E-78-34(LM)	26	Plastering, Drywall	160,000	233,000	2,468.00 CR	414.00 CR	230,118.00
E-78-35(LM)	27	Coffered Ceiling	132,000	53,040	7,911.50 CR		45,128.50
E-78-40(LM)	28 & 35	Quarry, Vinyl Tile	87,000	65,900			65,900.00
E-78-41(LM)	29	Painting	105,000	108,960	7,525.00	145.00 CR	116,340.00
E-78-41(LM)	30A	Washroom Accessories	9,000	7,849	1,575.00	97.72	9,521.72

CONTRACT NO.	BID PACKAGE	DESCRIPTION	BUDGET	LOW TENDER	NET AMOUNT OF CHANGE ORDERS APPROVED	NET AMOUNT OF CHANGE ORDERS NOT APPROVED	REVISED CONTRACT PRICE
E-78-41(LM)	30B	Wardrobe Accessories	\$ 3,000	\$ 695		\$ 695.00	
E-78-41(LM)	30C	Rolling Shutters	8,000	6,529		6,529.00	
E-78-41(LM)	30D	Exp. Joint Covers, Foot Grille	3,000	2,422		2,422.00	
E-78-42(LM)	32	Refinished Cabinet Work	55,000	193,865	7,867.00 CR	1,385.00	187,383.00
E-78-43(LM)	33 & 31	Hollow Metal Doors (Install)	57,000	94,873	54,502.20	174.00	149,549.20
E-78-44(LM)	34	Carpeting	193,000	216,645	186.22	3,000.00	219,831.22
E-78-46A(LM)	36A	Flag Pole	900	1,320		1,320.00	
E-78-46B(LM)	36B	Toilet Compartments	5,900	11,713		11,713.00	
E-78-46C(LM)	36C	Folding Partitions	28,000	16,500		16,500.00	
E-78-46D(LM)	36D	Security Grilles	2,500	29,951		29,951.00	
E-78-46E(LM)	36E	Ext. Sign Letters	4,000	1,484.50		1,484.50	
E-78-46F(LM)	36F	Chalkboards & Tackboards	1,700	1,950		1,950.00	
E-78-47(LM)	37	Misc. Concrete	48,000	158,031	651.34 CR	6,000.00	163,379.66
E-78-48(LM)	38	Caulking	4,000	5,470		5,470.00	
			\$9,314,000	\$10,912,568.50	\$249,317.37CR	\$246,840.20	\$10,910,091.33

Allowances

Landscaping	\$ 30,000	\$30,000	\$ 30,000.00
Final Cleaning	15,000	15,000	15,000.00
Contingency (Including allowance for B.P. #12 and #23)	301,008		

DESCRIPTION	BUDGET	TENDER	NET AMOUNT OF CHANGE		REVISED CONTRACT PRICE
			ORDERS APPROVED	ORDERS NOT APPROVED	
Construction Mgt. (including 50% Bond for Mgt. Fee)	\$ 379,992	\$ 379,992		\$ 61,767.00	\$ 441,759.00
Construction Mgt. Site Work	208,240	208,240		67,400.00	275,640.00
City Site Work including:	141,760				
- <u>Testing & Inspection</u>					
Trow		29,000			29,000.00
Environmental Control		28,800			28,800.00
Westinghouse		3,890			3,890.00
Roofing Inspection		1,000			1,000.00
-Security		54,000			54,000.00
-Insurance		78,742.07			78,742.07
-Permit		47,060.00			47,060.00
-Other Charges including		21,520.87		5,000.00	26,520.87
Office Supplies, salaries for project					
Omen Lee				25,000.00	25,000.00
Additional Funds Approved by the City	1,222,000				
	\$ 11,612,000	\$ 11,809,813.44	\$ 249,317.37	\$ 406,007.20	\$ 11,966,503.27

Estimated Net Overrun \$354,503.27

W. L. Phillips

9 October 1979

RECEIVED
OCT 19 1979

Controller R. M. Morrow,
City Hall.

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Re: Central Library &
Farmers' Market

Dear Sir:

As requested by the Working Committee, I have reviewed the letter, dated 21 September 1979, from Mr. K. A. Rouff, City Solicitor, to Controller Valeriano. The following are my comments:-

- I (a) The time taken to review the contract documents was strictly controlled by the City and not the architect. It was these discussions, over a two-month period, that caused a delay of the work on the site. These discussions concerned the contract documents for the second bid package, Concrete Footings. Other work, other than excavation, could not proceed without the footings. This delay was a direct result of discussions respecting the contract documents which in turn would extend the time to construct this project. This result in the requirement that the Construction Managers must be on the site longer than the twenty-two months specified in the tender for construction management. This extension of time is beyond the control of Pigott and, therefore, he should be reimbursed for it.
- (b) The fixed fee that was included in the tender for Construction Management was to be based on a twenty-two month period. The Carpenters' Strike caused a delay in the work on the site and, therefore, a longer period of time is required to complete the project. Therefore, the services of Pigott Construction Limited will be required for a longer period and they should be reimbursed for it.

Continued.....

195421	6537.33	1153.65	
19607	6537.32	1153.65	
25304	9501.15	2830.32	
52304	6537.33		
105301	65150		
	(9772)	97.72	
	2500	2500	
	5670		
	673476.76	105491.94	779468.70

Controller R. M. Morrow
9 October 1979

- 2 -

301-0008.11*
301-0008.1*
Continued.....

In the last paragraph on Page 2, I advise that Pigott did advise the City that the Carpenters' contract was due for renewal and there was a possibility of a strike. In addition, I was kept aware of the progress of the negotiations and I was advised when the strike commenced. In my opinion, Pigott did fulfill their duties regarding the Carpenters' Strike.

II (a) The Architect, in preparing the contract documents, recommended to the City that the CCDC Forms be used on this project. It is quite usual for the Architect to make recommendations to the City throughout the duration of a project and it is entirely at the discretion of the City whether such recommendations are approved or not. In this case, the City did not approve the Architect's recommendations.

III (b) The CCDC Form was used by the Region on the Police Building Project and the City used these forms on the Hamilton Place Project.

III In the first paragraph under this heading reference is made in the last sentence to state that "They appear to have failed to provide in the budget for these "inherent revision costs"." The Architect and Construction Manager recommended that a higher contingency allowance be included but the City did not accept this recommendation. In this way they did attempt to provide more funds to cover the revision costs.

In the second paragraph under this heading, reference is made to a Project Manager. In this project there is no Project Manager but Pigott is the Construction Manager. As explained in previous reports, the City was advised and kept informed at various stages and when all the information was available I reported to the Board of Control.

At the top of Page 5, reference is made to the duties of the Construction Manager and it states "Failure by the Construction Manager to perform the duties listed above could be a significant factor in the cost over-runs". The Construction Manager has provided monthly reports on progress of work and costs of the project. He has, also, reported any changes in the schedule and any changes in cost by Change Orders which have been approved by Board of Control and City Council.

Continued.....

195421	6537.33	1153.65
195607	6537.32	1153.65
32304	9501.15	2830.32
38204	6537.33	
42304	65150	
47304	(9772)	97.72
52304	2500	25.00
57304	5670	

City of Hamilton

Controller R. M. Morrow
9 October 1979

- 3 -

301-0008.1*
301-0008.11*
Continued.....

I would be pleased to discuss this report or to provide additional information at your convenience.

Yours very truly,

City Engineer and
Co-ordinator, Lloyd D. Jackson Square.

WLP:jb

195421

195407

22304

22304

100301

7210

20000

6537.33

6537.32

9501.15

6537.33

65150

(9772)

2500

1153.65

1153.65

2830.32

97.72

2500

Tuesday

	Index	Date

Public Library / Central Market - Design Fee
as at October 12, 1979

Vendor Name / Date Paid				0407-15400	0407-15407	
				Library	Market	Total
10000	Anthony Cutler	July	Aug 12/76	72362.86	12766.31	85129.17
10000	Jim Trow			1555.02		
10000	Anthony Cutler		Nov 5/76	50639.56	3404.69	54044.25
10000	Jim Trow			4592.98		
10000	Anthony Cutler		May 30/77	21763.31	9361.00	31124.31
10000	"		Sept 22/77	36204.18	+ 12767.00	
10000	"		Sept 22/77	36247.87		
10000	"		Sept 29/77	36172.00	6383.00	
10000	"		Oct 7/77	2022.42	356.90	
10000	"		Dec 22/77	36237.16	6383.10	
10000	"		Dec 22/77	36170.90	6383.25	
10000	"		March 10/78	30569.94	5394.70	
10000	"		Feb 16/78	41038.68	7242.12	
10000	"			2152.00		
10000	Building fees			1003.00		
10000	Building			8830		
10000	Building fees			(1003.00)		
10000	Anthony Cutler			30548.29	5390.87	
10000	"			30548.27	5390.87	
10000	"			7661.72	1352.07	
10000	"			7637.06	1347.72	
10000	Jim Trow			5815.26		
10000	"			1216.16		
10000	Anthony Cutler			15644.21	2325.37	
10000	Jim Trow			96.80		
10000	Anthony Cutler			22939.39	4048.14	
10000	Jim Trow			850.00		
10000	"			2712.56		
10000	Anthony Cutler			7637.06	1347.72	
10000	"			69177.87	2307.29	
10000	Jim Trow			501.22		
10000	Anthony Cutler			6167.26	1523.72	
10000	"			7276.25	1284.04	
10000	"			6598.43	1164.43	
10000	"			6537.33	1153.65	
10000	"			6537.33	1153.64	
10000	"			6537.33	1153.65	
10000	"			9501.15	2830.32	
10000	"			6537.33		
10000	Building fees			651.50		
10000	"			(97.72)	97.72	
10000	"			2500	2500	
10000	"			5670		

673476.76 105491.44 779468.70

7.
26

30-2.19(a) (iv)

November 6, 1979.

RECEIVED

NOV 7 1979

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF BIRMINGHAM

Controller R.M. Morrow,
Chairman,
Sub Committee of Board of Control,
Re Central Library & Farmers' Market.

Dear Controller Morrow:

Re: Central Library-Farmers' Market - Cost Over-run

On October 19, 1979, I received a letter dated October 18, 1979 from Mr. W.L. Phillips, City Engineer and Co-ordinator of this project requesting that comments be made directly to your Committee on the material he submitted with that letter.

I. DOES THE SUBMITTED MATERIAL EXPLAIN THE COST OVER-RUN?

Regrettably, the material enclosed in the letter did not offer, as I see it, any tangible explanation for the 1979 cost over-run:

1. The Construction Manager, Pigott Construction Limited, in a letter of September 26, 1979, alleges that the main items contributing to the most recent construction budget over-run, "... arise out of an approximately 3½ months' delay and miscellaneous mechanical, electrical work covered by Architect's Change Notices ... and subsequently authorized by Change Order", and also "Miscellaneous minor work across several bid packages".
2. The other letter of the Construction Manager, Pigott Construction Limited of October 15, 1979, gives the Change Notice number of Miscellaneous, mechanical, electrical work, etc., and the respective amounts in dollars and cents; beyond that and the earlier allegation of the 3½ months' delay, there is no explanation for this most recent cost over-run.
3. The letter of October 2, 1979 from the Architect, Mr.A. Butler, to the Board of Control is vague and advances no evidence for this second cost over-run except the suggestion of "competitive tendering" was to be achieved "without delay".
4. A further general comment on the material submitted is that it does not reflect a detailed comprehensive report explaining the reasons for this most recent cost over-run. With the sparsity

../2

controversy argued that a special committee studying the project should be allowed to examine the overruns before any decisions were made.

Study

Two months of study produced the same recommendation Mr. Wheeler made.

wrote the first cost overrun as well as the current cost-overrun suggest that the architect and the construction manager have failed to meet their obligations and accordingly, the city would appear to have a prima facie case in law.

Among other things, Mr. Rouff said the

of information, one then must of necessity, review this problem as a whole keeping in mind two basic facts, namely,

- (1) the appointment of Mr. A. Butler as Architect for the project was in July 1975, and
- (2) the approved budget of \$10,490,000.00 was adopted by Council on December 13, 1977.

II. WHAT ARE THE DUTIES OF THE ARCHITECT AND CONSTRUCTION MANAGER WITH RESPECT TO THE BUDGET?

In assessing the responsibilities of the Construction Manager and Architect, one must of necessity revert back to the contractual obligations of the Architect and Construction Manager.

As we stated in our earlier letter of September 21, 1979, the contract with the Architect provided, inter alia, that he had a duty to "review and revise estimates as preparation of drawings and specifications proceeds". A provision of the Architect's contract expressly requires the Architect to indemnify the City "from any increased costs of the project... resulting from the negligent error or omission of the Architect".

We also stated in our report that the Construction Manager, Pigott Construction Limited had numerous duties with respect to cost control, among other things that the Construction Manager "agrees to furnish his best efficient business administration and superintendence and to use every effort to ensure that the work is executed in a good and workmanlike manner, in the most expeditious and economical manner consistent with the interests of the Owner, within the budget approved by the Owner and within the completion schedule agreed to by the Owner" (underlining mine).

From the following review, it will be shown that there are serious doubts as to whether the Architect or Construction Manager fulfilled the above mentioned duties.

III.1. WAS THE BUDGET PROPERLY ESTIMATED?

It is difficult to understand why matters got out of control, particularly since Pigott and Butler indicated that the budget of \$10,490,000.00 although "tight" was achievable. Notwithstanding this, we learned from Mr. Phillips for the first time when, in response to my letter of November 23, 1978, he submitted material to me in his letter of October 9, 1979, that, the Construction Manager, Pigott, under its duty to prepare the final working budget for approval by the City, prepared 3 budgets, as follows:

- (1) October 12, 1977 - \$12,177,639.00 - includes Tunnel Construction and Additional Escalator and 5% Contingency Allowance;

../3

controversy argued that a special committee studying the project should be allowed to examine the merits before any decision were made.

Study

Two months of study produced the same recommendation Mr. Wheeler made.

But Mayor Jack Mac

wrote: "The first cost- overrun as well as the current cost-overrun suggest that the architect and the construction manager have failed to meet their obligations and accordingly, the city would appear to have a prima facie case in law."

Among other things, Mr. Rouff said the construction manager's con-

- (2) October 26, 1977 - \$10,828,492.00 - includes 5% contingency allowance, but not Tunnel Construction or additional escalator; Pigott states "we understand...these... are beyond the scope of the building budget";
- (3) November 24, 1977 - \$10,490,000.00 - includes "reduced contingency" (amount not indicated), and includes Tunnel Construction at \$150,000.00 and Additional Escalator at \$104,000.00. We have no information to indicate why the Tunnel and Escalator Construction are now "within" the scope of the building budget.

In considering the above, it is important to note the following:

<u>Estimated Cost</u>	<u>Council Approval</u>	<u>O.M.B. Approval</u>
\$ 9,759,000	December 30, 1976	April 4, 1977
\$10,490,000	December 13, 1977	December 29, 1977
\$11,240,000	July 18, 1978	September 19, 1978
\$11,712,000	November 29, 1978	December 13, 1978
\$12,312,000	September 11, 1979	October 11, 1979

The above reveals that after December 30, 1976 when Council approved an estimated cost of \$9,759,000, the three budgets were prepared. Finally, the 3rd Budget of \$10,490,000 was approved by City Council on December 13, 1977. This was an increase of \$731,000 over the original estimated cost of \$9,759,000. The above table shows recurring increases. At this point, it is interesting to note that the Pigott Budgets No. 1 (\$12,177,639.00) and No. 2 (\$10,828,492) were not included in the material submitted to Council in considering the 1978 Cost Over-run of \$472,000 which was ultimately approved by Council on November 29, 1978 resulting in a total estimated cost of \$11,712,000 as at November 29.

It is difficult to understand, in the context of the obligations imposed on the Architect and Construction Manager to provide City Council with the best advice based on accumulated expertise, why there were so many changes in the estimated costs. It is not unreasonable to suppose that such advice would be the basis of Council's decision as to the maximum estimated costs including contingencies expected to be expended for the project.

2. HOW WAS THE REDUCTION OF \$1,687,639.00 FROM BUDGET NO.1 TO BUDGET NO. 3 ACHIEVABLE?

In our view, there is no satisfactory explanation.

A quick comparison of the details itemized in the 3 budgets indicates that many items were reduced in each succeeding budget.

../4

Controllers argued that a special committee studying the project should be allowed to examine the numbers before any decisions were made.

Study

Two months of study produced the same recommendation Mr. Wheeler

But Mayor Jack MacDonald says that doesn't indicate that the committee

wrote: "The first cost-overrun as well as the current cost-overrun suggest that the architect and the construction manager have failed to meet their obligations and accordingly, the city would appear to have a prima facie case in law."

Among other things, Mr. Rouff said the construction manager's con-

Of some assistance in this regard is a letter dated November 28, 1978 from Mr. A.K. German, the City Architect to Mr. J.R. Jones, Secretary, Board of Control, reviewing the 1978 Cost Over-run. Mr. German refers to a letter dated February 17, 1978 from Pigott Structures which suggests that the square footage of the project was not reduced in any way to satisfactorily explain the substantial decrease in cost (\$1,687,639.00) between Budget No. 1 and Budget No. 3.

Mr. German comments that this "...seems to bear out the view... that all the downward Budget Revisions on this Project were done by Estimators at their desk by reducing cost figures rather than being done by the Library Board and their Architects at their Architects' Drafting Board by reducing the size of the building".

There is also a strong suggestion in Mr. German's letter that a saving of \$484,934.00 was achieved, at least on paper, by the expedient of "dropping" certain items from Budget No. 1. Mr. German mentions certain items, e.g. relocation of existing 18" sewer line drainage system, floors on grade, lockers, 2 out of 3 overhead multi-leaf doors, metal partition and glass, vault frame door and shelving mail box, traffic signs. However, it seems that these items were not, in fact, to be dropped from the project since Mr. German states that these "costs are not likely to simply go away in actual construction just because they are ...omitted from the estimator's budget".

Accordingly, all of the above lend strong support to Mr. German's statement that "cost of some items of work e.g. roofing, finishing carpentry, miscellaneous concrete work, hollow metal have been badly underestimated from the start".

In effect, and consistent with the City Architect's comments, it appears that the Architect designed a 12 million "plus" building which both the Architect and Construction Manager inexplicably estimated would cost \$10,490,000.00. What is becoming clear, however, is that the Architect did not design a building to suit the \$10,490,000.00 budget approved by Council.

3. WAS THE BUDGET BASED ON THE APPROPRIATE DESIGN REQUIREMENTS?

The information furnished to us during the 1978 Cost Over-run suggested a number of areas where the design on which the final budget was based was later revised or upgraded adding to the costs, for example:

- (1) Mr. Butler in a letter dated September 7, 1978 to Mr. Phillips, states that "the original budget... based on a lower quality of roofing system than is appropriate for buildings of this type - and indicates that no allowance for roof walkways or vapor barrier was made;

.../5

controllers argued that a special committee studying the project should be allowed to examine the overruns before any decisions were made.

Study

Two months of study produced the same recommendation Mr. Wheeler made.

wrote: "The first cost-overrun as well as the current cost-overrun suggest that the architect and the construction manager have failed to meet their obligations and accordingly, the city would appear to have a prima facie case in law."

Among other things, Mr. Rouff said the con-

- (2) By letter dated September 8, 1978, Mr. Butler attaches a letter from Mr. E. Suchard of Robertson Building System from which it becomes apparent the Architect based his specifications on a new untested product - "forma2wall". Mr. Suchard indicates that the first project using this had serious technical difficulties which were resolved but the cost of the product rose substantially and accordingly, Robertson did not bid on Bid Package No. 14 which was tailored specifically for this product.

Incidentally, this type of information which was provided during the 1978 Cost Over-run is conspicuously absent from the 1979 Cost Over-run.

IV. 1. WHAT EXPLANATIONS HAVE BEEN GIVEN FOR THE COST OVER-RUN?

- a) Much has been made of the 3½ month delays referred to by Mr. Phillips in his letter of August 23, 1979 to the Board of Control, respecting the Contract Documents and the Carpenters' Strike;
- b) In addition, Mr. Phillips states in his letter dated October 9, 1979 to Controller Morrow that "the time taken to review the Contract Documents was strictly controlled by the City and not the Architect". We, of course, reject this (as we have in our earlier reports);
- c) It should also be noted that at the Council Meeting of September 11, 1979, when the 1979 Cost Over-run was reviewed, Mr. Butler stated that one of the reasons for the over-run was that there was not an ample contingency fund and that a 5% contingency was allowed by the Region for the Construction of the Police Building.

2. WAS THE TIME TAKEN TO REVIEW THE CONTRACT DOCUMENTS STRICTLY CONTROLLED BY THE CITY?

The recommendation to use the CCDC Contract Forms was not made until December of 1977 by letter dated December 20, 1977 from Mr. Butler to Mr. Phillips. It would seem that any recommendation respecting the Contract Forms should have been submitted and dealt with well in advance of December 20 since,

- a) the CCDC Contract Forms are not "universally accepted". They are not accepted by, e.g. Metro Toronto, Regional Niagara, Windsor and Calgary. Further, the CCDC Contract Forms are designed to protect the contractors to the disadvantage of the City. So also, it is important to remember that the Architect's first responsibility is to protect his client's interest - the City - and to avoid documentation contrary to this interest.

.../6

CONTRACTS argued that a special committee studying the project should be allowed to examine the overruns before any decisions were made.

Study

Two months of study produced the same recommendation.

WHICH THE COST over-run as well as the current cost-overrun suggest that the architect and the construction manager have failed to meet their obligations and accordingly, the city would appear to have a prima facie case in law.

- b) the Architect was hired by Council on July 31, 1975. The material does not explain how far the Architect had advanced between 1975 and June 1, 1977 when City Council approved the joint recommendation of Mr. Phillips, City Engineer and Co-ordinator and Mr. A. Butler that a Construction Manager be appointed for this project. In addition, there was no suggestion until December of 1977 that the City's Contract Forms would not be used. A check with the Treasury Dept. reveals that from that time to June 1, 1977, when the Construction Management Method was adopted, Mr. Butler received payments totalling \$170,297.73 as part of his fees in accordance with his Contract.

The questions which follow are:

- 1) What was the Architect doing during these 23 months?
- 2) Is it not reasonable to ask whether one should not be concerned about the possibility of escalating costs during those 23 months?

Neither the Architect nor the Co-ordinator, Mr. Phillips, saw fit to explain why after more than 27 months all that was presented to the Construction Manager, Pigott Construction Limited, was "...very preliminary drawings sketches and brief outline specifications dated September 12, and 21, 1977 and meetings with the Architect"; The above quotation is from Pigott Structures' letter of October 12, 1977 to Mr. Phillips, City Engineer.

With all the emphasis that has been placed on the 3½ months' delays, there seemed to be an absence of concern with respect to cost escalation during those 27 months.

- c) construction was originally scheduled to commence in October of 1977;
- d) in November of 1977, Mr. Butler and Pigott stressed that the budget was tight and further delays could lead to additional cost.

In addition, considering that an early construction start was vital, Mr. Butler in revising the CCDC Documents, pursuant to a meeting on January 11, 1978 between himself and members of the Engineering and Legal Departments did not submit the revised specifications until early February of 1978, a delay of some 3 weeks and even then, the revised specifications did not include all the changes agreed to. For these reasons, we cannot agree with Mr. Phillips' statement that "the time taken to review the contract documents was strictly controlled by the City and not the Architect".

...that a special committee studying the project should be allowed to examine the overruns before any decisions were made.

Study

Two months of study

...the first cost overrun as well as the current cost-overrun suggest that the architect and the construction manager have failed to meet their obligations and accordingly, the city would appear to have a prima facie case.

In addition, it seems that there may have been other delays for which the City cannot be held responsible, for example, there was apparently a 4 month lapse from the time Mr. Butler forwarded specifications to the Electrical Contractor and did not receive a quotation until the end of that period. You will recall at a meeting of the Board of Control when Controller Valeriano attempted to elicit an answer from Mr. Butler that this 4 month lapse might have had some effect on the increased cost, Mayor MacDonald, as Chairman, declined to allow the question as put.

3. DO THE 3½ MONTH DELAYS & REDUCED CONTINGENCY ALLOWANCE EXPLAIN THE COST OVER-RUNS?

There is a strong implication throughout the material that if the 3½ month delays referred to in Mr. Phillips' letter of August 23, 1979, to the Board of Control (e.g. March 6, 1978 to May 1, 1978 and July 20, 1978 to September 1, 1978) and if the contingency allowance had not been reduced, there would have been no cost over-run.

In our opinion, the cost increase from \$10,490,000.00 to \$12,312,000.00 cannot be adequately explained by the 2 delays and the reduced contingency:

- a) Contingency Allowance: Even if there had been no contingency allowance whatsoever included in the approved \$10,490,000.00 budget, a 5% allowance would have increased the contract price by \$524,500.00 to a total of \$11,014,500.00.

However, Pigott indicates in its November 24, 1977 budget that there is included a "reduced contingency" and we believe this reduced contingency to be approximately 3%. If the 3% is correct, it was only a 2% contingency that had been eliminated and accordingly, the budget would have increased by \$203,689.32 to a total of \$10,693,689.32. This amount of \$10,693,689.32 would include a 5% contingency.

- b) 3½ Month Delay: In our opinion, this cannot explain the 19.4% increase in cost. It should be noted that while the increase from \$10,490,000 to \$12,312,000 is an increase of 17.4%, the actual percentage increase is 19.4% because certain items were deleted to an amount of \$215,633.00 - Items 1 and 2 of the 55th Report of the Board of Control adopted on November 28, 1978. Without these deletions, the cost of the project would now be \$12,527,633.00.

.../8

controllers argued that a special committee studying the project should be allowed to examine the overruns before any decisions were made.

Study

Two months of study

While the first cost-overrun as well as the current cost-overrun suggest that the architect and the construction manager have failed to meet their obligations and accordingly, the city would appear to have a prima facie case.

We would also wish to stress that ordinary inflationary increases and inherent revision costs, assuming no delays, are items which should have been accounted for in any proposed budget submitted by the Construction Manager and Architect upon whom the City relied.

V. WHAT IS THE PURPOSE OF THE "NEW" CONTINGENCY ALLOWANCE OF \$250,000.00 APPROVED BY COUNCIL ON SEPTEMBER 11, 1979?

During the course of the dinner meeting as well as the Council meeting of September 11, 1979, in which the present cost over-run was reviewed with Mr. Butler, approval was sought for a \$250,000.00 contingency allowance. You may recall that a member of Council indicated that the remaining contract would cost approximately \$48,000.00. Notwithstanding this, the Architect sought and received a contingency of \$250,000.00. Under the circumstances, it is not unreasonable to ask whether that \$250,000.00 would be used to take care of other material and labour that have hitherto not been disclosed to Council.

VI. THE ROLE OF THE MANAGEMENT COMMITTEE:

During the City Council Meeting of September 11, 1979, Mr. Butler indicated that architectural drawings were completed in November, apparently of 1978, and that Change Notices were issued to contractors asking them to quote, and replies were received in April of 1979. He further stated that he was aware in April that there would be an "over-run", but did not get the final figures until July 1979. It should be noted that none of this was reported to the Board of Control until August 23, 1979, some five months later.

With this revelation, it is not unreasonable to ask what was the extent of the control, if any, exercised by the Management Team when the problem seems to have first surfaced in April of 1979. Further, during the time that change notices were issued, neither the Board of Control nor Council had any notice of this although it must have been apparent that costs were increasing significantly. At the time the Board of Control and Council were requested to approve the change orders, the matter was, in effect, a fait accompli.

.../9

... argued that a special committee studying the project should be allowed to examine the overruns before any decisions were made.

Study

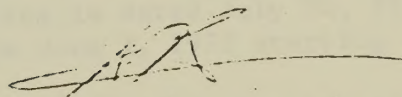
Two months of study produced the same

wrote: "The first cost-overrun as well as the current cost-overrun suggest that the architect and the construction manager have failed to meet their obligations and accordingly, the city would appear to have a prima facie case in law."

VII. CONCLUSION:

In concluding, there is nothing in the material submitted in my view that relieves the Architect, Mr. Anthony Butler and the Construction Manager, Pigott Construction Limited from their contractual obligations. Accordingly, I would reaffirm my opinion as given in my report dated September 21, 1979 that the City would appear to have a prima facie case in law against the Architect and Construction Manager for having failed to meet their contractual obligations.

Yours truly,



K. A. Rouff,
City Solicitor.

KAR:eag

controllers argued that a special committee studying the project should be allowed to examine the overruns before any decisions were made.

Study

Two months of study produced the same recommendation Mr. Wheeler made.

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Among other things, Mr. Rouff said the con-



THE CORPORATION OF THE CITY OF HAMILTON

TREASURY

CITY HALL
HAMILTON, ONTARIO
L8N 3T4
TEL. 527-0241

November 7, 1979

RECEIVED

NOV 7 1979

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Mr. K. A. Rouff
City Solicitor
City Hall

As requested, I attach a schedule of payments to Anthony Butler/Brook Carruthers Shaw relating to the design fees for the new Public Library and Central Market. You specifically requested the invoices and payments for the time period July 31, 1975 to June 1, 1977.

You will notice on the attached schedule that the third invoice received is dated March 21, 1977 and the fourth invoice is dated July 15, 1977; these two dates falling between the terminal date requested. Cumulative totals are provided on the schedule and copies of the four invoices have been provided for your convenience. You will notice that the first invoice is dated July 26, 1976 and this was the first invoice after the June 1, 1977 starting date.

As I understand it, Miss Ann Meema is satisfied that the total to the third invoice of \$170,297.73 is in order.

Please do not hesitate to contact me if you require any additional information.

W. H. McFarland
W. H. McFarland
Treasurer and Commissioner of Finance

ECM/ae
Enc.

controllers argued that a special committee studying the project should be allowed to examine the overruns before any decisions were made.

Study

Two months of study produced the same recommendation Mr. Wheeler made.

But Mayor Jack MacDonald says that doesn't indicate that the committee found evidence to support legal action.

"It doesn't indicate anything," he said.

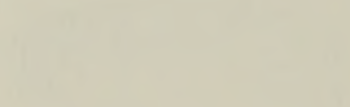
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Among other things, Mr. Rouff said the construction manager's con-



THE GOVERNMENT OF THE REPUBLIC OF CHINA

Ministry of Education



NO. 1234

THE MINISTRY OF EDUCATION
REPUBLIC OF CHINA
TAIPEI

DATE: 1945

TO: THE DIRECTOR
OF THE NATIONAL
UNIVERSITY

Subject: The Ministry of Education has the honor to inform you that the National University has been designated as the seat of the Ministry of Education in the Republic of China.

The Ministry of Education has the honor to inform you that the National University has been designated as the seat of the Ministry of Education in the Republic of China. The Ministry of Education has the honor to inform you that the National University has been designated as the seat of the Ministry of Education in the Republic of China.

The Ministry of Education has the honor to inform you that the National University has been designated as the seat of the Ministry of Education in the Republic of China. The Ministry of Education has the honor to inform you that the National University has been designated as the seat of the Ministry of Education in the Republic of China.

The Ministry of Education has the honor to inform you that the National University has been designated as the seat of the Ministry of Education in the Republic of China. The Ministry of Education has the honor to inform you that the National University has been designated as the seat of the Ministry of Education in the Republic of China.

[Handwritten Signature]
Director of the National University

Enclosed for the National University are the following documents:

Yours faithfully,
Minister of Education

1. The Ministry of Education has the honor to inform you that the National University has been designated as the seat of the Ministry of Education in the Republic of China.

2. The Ministry of Education has the honor to inform you that the National University has been designated as the seat of the Ministry of Education in the Republic of China.

City of Hamilton
Treasury

PAYMENTS MADE TO ANTHONY BUTLER/BROOK CARRUTHERS SHAW
FOR DESIGN FEES - MAIN PUBLIC LIBRARY/CENTRAL MARKET

for the period July 31, 1975 to June 1, 1977

Vendor Number	Progress Payment Number	Invoice Date	Payment Date	Library	Market	Total	Cumulative Total
136945	One	July 26/76	Aug. 12/76	72,362.86	12,766.31	85,129.17	85,129.17
134840	Two	Sept. 23/76	Nov. 5/76	50,639.56	3,404.69	54,044.25	139,173.42
172353	Three	March 21/77	May 30/77	21,763.31	9,361.00	31,124.31	170,297.73
173418	Four	July 15/77	Sept. 22/77	36,247.87	6,384.00	42,631.87	212,929.60

November 7, 1979
GK/ae

...argued that a
...committee study-
...the project should be
...to examine the
...before any deci-
...were made.

Study

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have failed to meet their
obligations and accord-
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to have a prima facie case
in law."

Among other things,
Mr. Rouff said the con-
struction manager's con-

26 July 1976

Mr. W. L. Phillips
City Engineer and Coordinator
Lloyd D. Jackson Square
City Hall
Hamilton, Ontario

Dear Mr. Phillips:

Enclosed is our revised invoice for the Hamilton Central Library and Farmers' Market, in which the charges have been apportioned between the Library and the Market, as you requested in your letter last week.

I trust that this revision will be acceptable.

Yours very truly,

Anthony Butler

Anthony Butler

AB/gl

encl

cc P. Brook

DEPT. OF ENGINEERING

JUL 26 1976

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Anthony Butler Architect
11 Dundurn Street North, Hamilton
Brook Carruthers Shaw Architects
40 St. Clair Avenue West, Toronto

controllers argued that a special committee studying the project should be allowed to examine the overruns before any decisions were made.

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Among other things, Mr. Rouff said the con-

Library and Farmers' Market
(416) 527-2791

July 1976

City of Hamilton
City Hall
Hamilton, Ontario

INVOICE

RE: Hamilton Central Library and Farmers' Market

Authorized budget

Hamilton Central Library	\$8,259,000.00	85%
Farmers' Market	\$1,500,000.00	15%
	<u>\$9,759,000.00</u>	

Less abatement for Federal Sales Tax rebate:
.015 x \$9,759,000 = 146,385.00

Basis for fee calculation: \$9,612,615.00

Our fee:
Fee on first \$8,500,000 = \$613,000.00
Fee on balance:
.061 x \$1,112,615 = 67,870.00
\$ 680,870.00

Fee payable to date for schematic design phase:
.75 x 1/6 x \$680,870 = \$ 85,108.75

Less payments previously received:
\$ -
\$ 85,108.75

Apportioned as follows:

Hamilton Central Library at 85%	\$ 72,342.44	*
Farmers' Market at 15%	\$ 12,766.31	

Miscellaneous expenses:
long distance telephone calls: \$ 20.42 *

This Account: \$ 85,129.17

Note: Please make cheque payable to Anthony Butler/Brook Carruthers Shaw

Anthony Butler Architect
100 Dundas Street North, Hamilton
Brook Carruthers Shaw Architects
1001 Bayview Avenue West, Toronto

controllers argued that a special committee studying the project should be allowed to examine the overruns before any decisions were made.

Study

Two months of study produced the same recommendation Mr. Wheeler made.

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Among other things, Mr. Rouff said the con-

BUTLER / BROOK CARRUTHERS SHAW
Architects for the Hamilton Central Library and Farmers' Market
100 West North, Hamilton, L8R 3C8, telephone (416) 527-2791

23 September 1976

City of Hamilton
City Hall
Hamilton, Ontario

INVOICE

RE: Hamilton Central Library and Farmers' Market

Authorized budget

Hamilton Central Library
Farmers' Market

\$8,259,000.00	85%
\$1,500,000.00	15%
<u>\$9,759,000.00</u>	

Less abatement for Federal Sales Tax rebate:
.015 x \$9,759,000 =

146,385.00

Basis for fee calculation:

\$9,612,615.00

Our fee:

Fee on first \$8,500,000 = \$613,000.00

Fee on balance:

.061 x \$1,112,615 = 67,870.00

\$ 680,870.00

Fee payable to date for schematic design,
design development and preliminary drawings:

Library .

.85 x 1/4 x .85 x \$680,870 = \$122,982

Market

.95 x 1/6 x .15 x \$680,870 = 16,171

\$ 139,153.00

Less payments previously received:

\$ 85,108.75

This Account:

\$ 54,044.25

Note: Please make cheque payable to Anthony Butler/Brook Carruthers Shaw

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Study

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But Mayor Jack Mac

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Among other things, Mr. Rouff said the construction manager's con-

ANTHONY BUTLER / BROOK CARRUTHERS SHAW
Architects for the Hamilton Central Library and Farmers' Market
100 North, Hamilton, L8R 3C8, telephone (416) 527-2961

31 March 1977

City of Hamilton
City Hall
Hamilton, Ontario

INVOICE

RE: Hamilton Central Library and Farmers' Market

Authorized budget

Hamilton Central Library
Farmers' Market

\$8,259,000.00 85%
\$1,500,000.00 15%
\$9,759,000.00

Less abatement for Federal Sales Tax rebate:
.015 x \$9,759,000 =

146,385.00

Basis for fee calculation:

\$9,612,615.00

Our fee:

Fee on first \$8,500,000 = \$613,000.00

Fee on balance:

.061 x \$1,112,615 = 67,870.00

\$ 680,870.00

Fee payable for schematic design, design
development and preliminary drawings:

Library

1/4 x .85 x \$680,870 = \$144,685

Market

1/4 x .15 x \$680,870 = 25,532

\$ 170,217.00

Less payments previously received:

139,153.00

\$ 31,064.00

Miscellaneous Expenses:

long distance telephone calls

60.31

This Account:

\$ 31,124.31

NOTE: Please make cheque payable to Anthony Butler/Brook Carruthers Shaw

controllers argued that a special committee studying the project should be allowed to examine the merits before any decisions were made.

Study

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But Mayor Jack MacDonald says that doesn't indicate that the committee found

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Among other things, Mr. Rouff said the construction manager's con-

ANTHONY BUTLER CARRUTHERS SHAW

Architects for the Hamilton Central Library and Farmers' Market

200 West North, Hamilton, L8R 3C8, telephone (416) XXXXXX 527-2961

15 July 1977

City of Hamilton
City Hall
Hamilton, Ontario

INVOICE

RE: Hamilton Central Library and Farmers' Market

Authorized budget

Hamilton Central Library
Farmers' Market

\$8,259,000.00 85%
1,500,000.00 15%
\$9,759,000.00

Less abatement for Federal Sales Tax rebate:
.015 x \$9,759,000 =

146,385.00

Basis for fee calculation:

\$9,612,615.00

Our fee:

Fee on first \$8,500,000 = \$613,000

Fee on balance:

.061 x \$1,112,615 = 67,870

\$ 680,870.00

Fee payable for design and documentation to date:

Library

.3125 x .85 x \$680,870 = \$180,856

Market

.3125 x .15 x \$680,870 = 31,916

\$ 212,772.00

Less payments previously received

170,217.00

\$ 42,555.00

Miscellaneous Expenses:

76.87

This Account

\$ 42,631.87

NOTE: This invoice replaces the previous invoice dated 15 July 1977 for the amount of \$72,670.87.

Please make cheque payable to Anthony Butler/Brook Carruthers Shaw

Anthony Butler Architect

controllers argued that a special committee studying the project should be allowed to examine the overruns before any decisions were made.

Study

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Among other things, Mr. Rouff said the construction manager's con-

3 August

75
19

13. Henry Durlax/Brook Carruthers Shaw, 11 Dundurn Street North, Hamilton, Ontario.

INSPECTED AND PASSED BY

PRICES AND EXTENS. CK'D

SECRETARY

APPROVED

CITY ENGINEER

controllers argued that a special committee studying the project should be allowed to examine the overruns before any decisions were made.

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Among other things, Mr. Rouff said the con-

MR. PHILLIPS
CITY ENGINEER
CITY OF HAMILTON

FORM NO. 130

CITY OF HAMILTON

CITY ENGINEER'S DEPT

19 October 1976

Anthony Butler/Brook Carrothers Shaw, 11 Dundurn Street North, Hamilton, Ontario

DESCRIPTION			AMOUNT OF THIS PAYMENT
(2) To provide design services, plans, specifications and estimated cost for Hamilton Public Library and Farmers Market to be located in Lloyd D. Jackson Square, passed by Council 29 July 1975.			
P.O. #17345			
Value of Fee to date	139,153.00		
Misc. Expenses to date	20.42		
Total value to date		139,173.42	
Less previous payment of Fee & Misc. expenses		85,129.17	
Amount now due:			54,044.23
C407-M54003 - \$123,002.42			
C407-M54073 - 16,171.00			

INSPECTED AND PASSED BY

PRICES AND EXTENS. CK'D

SECRETARY

APPROVED

21 October 1976 CITY ENGINEER

22:15

Controllers argued that a special committee studying the project should be allowed to examine the overruns before any decision were made.

Study

Two months of study produced the same recommendation Mr. Wheel

wrote: "The first cost-overrun as well as the current cost-overrun suggest that the architect and the construction manager have failed to meet their obligations and accordingly, the city would appear to have a prima facie case in law."

CITY OF HAMILTON
CITY ENGINEER'S DEPT.

27 May

77

41

To Anthony Butler/Brook Carruthers Shaw, 11 Dundas St. W., Hamilton, Ontario

APPROVED AND PASSED BY

AND EXTENS. CK'D

SECRETARY

APPROVED

CITY ENGINEER

57: 15

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Rec'd. 2 30 P.M. NOV. 23/79

REFER TO FILE NO 301-0008.1*8

ATTENTION OF W. L. Phillips

YOUR FILE NO.

THE CORPORATION OF THE CITY OF HAMILTON

DEPARTMENT OF ENGINEERING
CITY HALL, HAMILTON
L8N 3T4

23 November 1979

RECEIVED

NOV 23 1979

Controller R. M. Morrow

Re: Central Library and
Farmers' Market

LEGAL DEPARTMENT
THE CORPORATION OF
THE CITY OF HAMILTON

Dear Sir:

As requested, I have reviewed the letter, dated 6 November 1979 to you from the City Solicitor and I now provide you with my comments as follows:

I With respect to the letters received from the Construction Manager, I wish to point out that he has shown the areas where the overruns occurred and stated that these were the results of (a) delays and (b) change notices issued by the architect. The Construction Manager does not have responsibility for the issuance of Change Notices and, therefore, cannot comment further.

Regarding the comment in Part 3 of this section, the reference to "competitive tendering" was taken out of context as it was a small part of the two page letter from Mr. Butler.

If the City Solicitor would clearly outline the information he requires, I will attempt to provide it. In my opinion, I have provided the Board of Control with detailed reports on this matter.

II The Construction Manager is responsible for scheduling and co-ordination of the work on the site. He is not responsible for design nor the issuance of change notices. As outlined in my previous reports regarding the latest cost overrun, the reasons for such overruns are (a) delays and (b) change notices. I would suggest that these matters are outside the jurisdiction of the Construction Manager.

Continued.....

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- III Under this item the City Solicitor raises the question as to why there were so many changes in the estimated costs. In the first instance, these estimates were prepared because the City was not prepared to accept the first two estimates that were prepared.

After the final estimate was approved by City Council on 24 November 1977, the changes in the estimates were due to the tenders received for the various bid packages. The last revisions to the total cost of the project was due to (a) delays and (b) change notices issued to the contractors.

IV

- (2) (b) Between the dates 31 July 1975 (when the Architect was hired by City Council) and 1 June 1977 when City Council approved the recommendation that a Construction Manager be appointed; the Architect developed the preliminary drawings for this project based on the requirements that were contained in a report prepared for the Library Board. These preliminary drawings were presented to City Council in March 1977 and were approved by City Council on 31 May 1977. On this date the architect was authorized to proceed with the detailed drawings for the project.

Under the contract with the Architect, payment up to 1/4 of the total fee is payable when the preliminary drawings are completed.

Under the construction management system, the detailed drawings are prepared for each bid package, in succession and, therefore, the detailed drawings for one bid package are being prepared while work under another bid package is being carried out on the site. Therefore, detailed drawings were not available when the budget estimates were prepared by the Construction Manager.

Reference is made to a 27-month period during which the City Solicitor states that it seemed that there was an absence of concern for cost escalation. This period referred to is prior to the preparation and approval of a final working budget. In addition, during this period there were serious discussions between the City and the Library Board as to whether the preliminary plans should be approved or not. This matter was resolved by City Council on 31 May 1977 when the architect was authorized to proceed with detailed drawings.

Continued.....

Controllers argued that a special committee studying the project should be allowed to examine the overruns before any decisions were made.

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Two months of study produced the same recommendation Mr. Wheeler made.

But Mayor Jack MacDonald says that doesn't indicate that the committee found out

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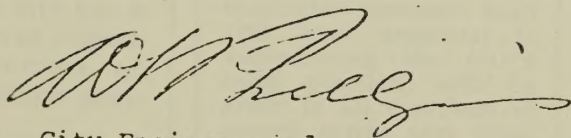
IV
(2) (b) Cont'd.....

Reference is made to an apparent 4-month lapse from the time Mr. Butler forwarded specifications to the Electrical Contractor and the receipt of a quotation. This delay did not cause any delay to the construction schedule and, therefore, did not cause an increase in cost in the same manner as the other delays that have been identified.

On Page 7 reference is made to the "3½-Month Delay" and the Contingency Allowance. In my report to the Board of Control. I stated that the 3½-month delay did cause an additional cost in connection with the Management Fee and the Site Work. This accounted for only a portion of the overrun. Later, Mr. Butler referred to the reduced contingency allowance that was included in the budget. At no time did I suggest that if the delay had not occurred, or if a larger contingency allowance had been used, there would be no overrun.

- V It has been adequately explained to Council that the \$250,000.00 contingency allowance is to cover future costs of changes that may be required but which were unknown and unforeseen at that time.
- VI The matter of reporting the latest overrun to Board of Control was fully covered in my report, dated 23 August, 1979 and my further report to the sub-committee which was appointed to review the latest overrun.

Yours very truly,



City Engineer and
Co-ordinator, Lloyd D. Jackson Square.

WLP:jb

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The Spectator, Saturday, November 24, 1979 7

City won't rush into library suit

By BILL JOHNSTON
Spectator Staff

LEGAL HELP is again being sought to determine if court action is justified against the architect or construction manager of the library-market project.

Board of control, following a 1½-hour private meeting yesterday, recommended council hire a lawyer to see if the city has a legal case over repeated cost overruns on the \$123 million project.

City Solicitor Ken Rouff has already said the city has a case.

In a Sept. 21 report, he said he found several apparent breaches of city contracts with Anthony Butler, the architect, and Pigott Construction Ltd., the project manager.

In light of that report, alderman Reg Wheeler asked council in September to hire an outside legal expert to give a second opinion to assist Mr. Rouff.

The proposal was rejected by council, after controllers argued that a special committee studying the project should be allowed to examine the overruns before any decisions were made.

Study

Two months of study produced the same recommendation Mr. Wheeler made.

But Mayor Jack MacDonald says that doesn't indicate that the committee found evidence to support legal action.

"It doesn't indicate anything," he said.

Controller Bob Morrow, who chaired the committee, refused to say whether members found evidence to back up legal action.

Press reporting on what was found could hurt the city's legal position, he added.

Mr. Morrow and the mayor used the same argument for discussing the question behind closed doors and for not making public reports from Mr. Butler, Pigott and City Engineer Bill Phillips that the board requested to explain the occurrences that have pushed up the library's cost by \$2 million since 1975.

Those reports, which committee members have said were essential to determining the city's legal position, will be given to all members of council before next Tuesday's meeting.

If there are any matters relating to potential litigation in the reports, "it would be irresponsible to hand that to a potential litigant via the media," Mr. MacDonald said. Release of the documents could prejudice the city's case, Mr. Morrow agreed.

Documents

Among the documents the committee has is Mr. Rouff's report, made public in September.

In it, the solicitor wrote: "The first cost overrun as well as the current cost-overrun suggest that the architect and the construction manager have failed to meet their obligations and accordingly, the city would appear to have a prima facie case in law."

Among other things, Mr. Rouff said the construction manager's con-

tract called for monthly reports on the cost of the project and on budget deviations.

Pigott's failure to do this "could be a significant factor in the cost overruns," the solicitor said.

His report also noted

that one of the reasons for the cost increases was that the project was delayed while the city and contractors argued over the type of contract document to be used — the city's or a standard form of the contractors' association.

Mr. Rouff noted that Mr. Butler, who recommended use of the association's form, was never told by the city to use it and did not present it to the city at the earliest possible moment, when delay could have been avoided.

of The Spectator, Wednesday, November 28, 1979

Danger seen in release of reports

THE CONFIDENTIAL label came off reports on a possible library market legal case yesterday as the board of control efforts to keep them under wraps.

Mayor Jack MacDonald said the contractors argued that release of the reports would jeopardize the city's legal position, since one of the contractors' reports would be used as the basis for a lawsuit against any breach the city might commit against the architect or construction company.

If the arguments are made public and discussed in council before legal advice is obtained on whether the city has a case, "some necessities of soundness may be lost and the city in litigation," Mr. MacDonald said.

tion," Mr. MacDonald argued.

But his position was undermined by city solicitor Ken Rouff, who commented, "I can't see how making this public or discussing it could prejudice the city's position."

Alderman Brian Hinkley, who asked for Mr. Rouff's opinion, said he would give his reports to the press.

"The public has a right to know what is going on in the project," he said. "I don't think we should continue keeping information from the public that the public should rightly have."

After insisting that "there's a defence in there," Mr. MacDonald rushed over to where Mr. Rouff was sitting, pushed the microphone out of the way and spoke to him briefly while gesturing in the direction of city engineer Bill Phillips, who wrote several of the reports, then returned to his seat.

Alderman Bill McCulloch commented that any lawyer defending against a city lawsuit could subpoena the reports in any event.

Delays

The reports, which were given to The Spectator, include one from Mr. Rouff which re-affirms a position he took in September that the city "would appear to have a prima facie case in law against the architect and construction manager for having failed to meet their contractual obligations."

A report from Mr. Phillips supports the architect, Anthony Butler, and the construction manager, Pigott Construction Ltd., in saying the increases in costs on the library are the result of delays and of change notices issued by the architect.

Mr. Rouff questioned why Mr. Butler took 23 months after his hiring July 31, 1975, to prepare preliminary drawings. Mr. Phillips said that during this period, preparation and approval of the working budget took place and "there were serious discussions between the city and library board as to whether the preliminary plans would be approved or not."

Mr. Phillips said a two month delay was caused by city council debate about whether to accept contract documents for tendering suggested by Mr. Butler or the city's standard form. Mr. Rouff wondered why the documents were not presented early to avoid delays.

Mr. Phillips said the time taken to review the contract documents was "strictly controlled by the city and not by the architect." Mr. Rouff rejected that argument and said Mr. Butler took three weeks during those two months to make changes in specifications council agreed on.

The other major delay was caused by a two month carpenters' strike, Mr. Phillips said.

One of his reports says that Pigott provided monthly reports on costs, while Mr. Rouff says these reports were not provided as required by the contract with the company.

Mr. Rouff also rejected Mr. Phillips' contention that the 3½ months of delay would cause a 19 per cent increase in the cost of the project and push it to a \$12.3 million total.

Battle over legal aid

THE PROSPECT of a court fight over library-market cost overruns sparked a city council battle yesterday over who to hire for legal assistance.

After much debate, council voted to hire the Toronto firm of Weir and Foulds to give the city a second opinion on whether the city can sue either the architect or contract manager in relation to \$2 million in increases in the cost of the \$12.3 million project.

City solicitor Ken Rouff has already said the city has a case, based on the argument that both Pigott Construction Ltd., the contract manager, and Anthony Butler, the architect, had breached parts of their contracts with the city.

There was no argument over whether to get a second opinion but only over who should provide it. Mr. Rouff had recommended to board of control that the job go to Weir and Foulds, who have been regularly used by the city for 40 years but the board rejected that suggestion and instead proposed another Toronto firm, Cassels, Brock.

Affront

Mayor Jack MacDonald said the board felt that "the human factor" might enter into the opinion given by a legal firm that is asked to comment on the city solicitor's stance, when the firm has had a long working relationship with the solicitor.

In the best interest of Mr. Rouff and of Weir and Foulds and to ensure that the second opinion "will be totally independent but also be seen to be totally independent," a company other than Weir and Foulds should get the job, the mayor said.

The city ought to hire to city solicitor's first choice, which was Weir and Foulds, Alderman Reg Wheeler said. He rejected any suggestion that the firm might be biased in the city's favor and added, "a firm as big as Weir and Foulds should not have to have that connotation put on their work."

"It has been said to me there are relationships between people involved in this project and people on council and that some people are trying to put a damper on this. I said no way" but the city has to find out if it has a legal case to make, that clear, Mr. Wheeler said.

Library's cost increase a mystery to city official

By BILL JOHNSTON
Spectator Staff

THERE IS no satisfactory explanation why the library-market budget was out by almost \$2 million, according to the city solicitor.

Ken Rouff says it appears that a \$12 million building was inexplicably estimated to cost \$10,490,000.

His report — on the possibility of the city taking legal action — notes that architect Anthony Butler, who designed the building, estimated in 1976 it would cost \$9,759,000.

Less than a year later, Pigott Construction Ltd., hired to manage the project, prepared a construction budget of \$12,177,639.

The company then, reduced that figure twice until council agreed with a \$10,490,000 figure. Mr. Butler and Pigott said that budget would be tight but could be met, Mr. Rouff said.

Reduce

"There is no satisfactory explanation" of how Pigott was able to reduce its original budget by so much, he said.

Mr. Rouff notes that the city's architect, A.K. German, determined that there was no reduction in the size of the library to reduce the budget. Some items were dropped but most of them represented costs that Mr. German said "are not likely to simply go away in actual construction just because they are omitted from the estimator's budget."

Mr. Rouff also quotes Mr. German as saying that "cost of some items of work (such as) roofing, finishing carpentry, miscellaneous concrete work, hollow metal have been badly underestimated from the start."

Advice

The solicitor said it is reasonable to expect that council based its budget decisions on the advice Pigott and Mr. Butler gave them.

"It is difficult to understand, in the context of the obligations imposed on the architect and construction manager to provide city council with the best advice based on accumulated expertise, why there were so many changes in the estimated cost," the solicitor said.

In separate reports, City Engineer Bill Phillips, coordinator for the project, and Mr. Butler, offer their own explanations for the changes.

"The city was not prepared to accept the first two estimates that were prepared," Mr. Phillips said.

Mr. Butler said that "it became evident that the city did not wish at that time to change budget which had already been approved by the OMB," referring to his \$9.76 million figure. Therefore, the Pigott budget was reviewed and the \$10,490,000 figure agreed on, a budget he said that could be met with favorable market conditions and no delays.

APR 07 2006

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